

G.O.C. STAFF RULE ABSTRACT

DEPARTMENT: University of Tennessee

DIVISION:

SUBJECT: Student Housing Regulations; Residence Hall Agreements

STATUTORY AUTHORITY: Tennessee Code Annotated, Section 49-9-209

EFFECTIVE DATES: August 1, 2017 through June 30, 2018

FISCAL IMPACT: Minimal

STAFF RULE ABSTRACT: Student affairs and housing officials in the University of Tennessee System (UT) have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

The Regulatory Flexibility Addendum is not applicable.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The University of Tennessee anticipates that this rule change will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(l)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Student affairs and housing officials in The University of Tennessee System have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

None.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Students of the University of Tennessee are most directly affected by this rule. The student member of the UT Board of Trustees voted to approve the rule.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

Not significant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Matthew Scoggins
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University of Tennessee
719 Andy Holt Tower
Knoxville, TN 37996-0170
scoggins@tennessee.edu
865-974-3245

- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.

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Sequence Number: 09-24-16
 Rule ID(s): 6309
 File Date: 9/16/16
 Effective Date: 8/1/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Agency/Board/Commission: University of Tennessee
Division:
Contact Person: Matthew Scoggins, Deputy General Counsel
Address: 719 Andy Holt Tower, 1331 Circle Park, Knoxville, TN
Zip: 37996-0170
Phone: 865-974-3245
Email: scoggins@tennessee.edu

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1720-01-13	Student Housing
Rule Number	Rule Title
1720-01-13-.01	General
1720-01-13-.02	Residence Hall Agreements
1720-01-13-.03	Definitions

RULES
OF
THE UNIVERSITY OF TENNESSEE

CHAPTER 1720-01-13
STUDENT HOUSING

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<u>1720-01-13-.01</u>	<u>General</u>	<u>1720-01-13-.03</u>	<u>Definitions</u>
<u>1720-01-13-.02</u>	<u>Residence Hall Agreements</u>		

1720-01-13-.01 GENERAL.

- (1) The primary purpose of student housing at The University of Tennessee is to provide living accommodations and educational programming for undergraduate and graduate students enrolled at such campuses.
- (2) Subject to the general supervision of the President, Chancellors are authorized to exercise complete executive authority over student housing, including, without limitation, development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. Policies, procedures, and agreements shall be developed in consultation with appropriate system-level administrators (e.g., Chief Financial Officer, Office of the General Counsel) and shall be consistent with this Chapter 1720-01-13.
- (3) Chancellors are authorized to determine which categories of students (e.g., full-time; enrolled) are eligible to live in student housing and which categories of students are either required to live in student housing or are restricted from living in student housing, subject to federal and state law.

1720-01-13-.02 RESIDENCE HALL AGREEMENTS.

- (1) A student who applies to reside in a residence hall shall, as a condition to residing in the residence hall, sign an agreement prepared by the University that establishes the terms and conditions of the student's occupancy of the residence hall.
- (2) The agreement described in Section .02(1) should address the following subjects:
 - (a) Term of the agreement;
 - (b) Amounts, billing, payment, and refunds of housing fees, security deposits, and damage and cleaning fees;
 - (c) Assignment and reassignment of rooms;
 - (d) Policies and procedures governing the use and safety of the residence hall and conduct within the residence hall, including, without limitation, policies governing the room within which the student is to reside (e.g., emergency procedures, animals, prohibited items, commercial solicitation);
 - (e) Rights of entry to rooms;
 - (f) Loss of or damage to the student's personal property;
 - (g) Loss of or damage to University property;
 - (h) Alterations, additions, or improvements to rooms;
 - (i) Animals;
 - (j) Prohibited activities;
 - (k) Visitation;
 - (l) Prohibition on assignment and subleasing by the student;

(m) Termination of the agreement by either the student or the University, and options for the student to appeal the termination; and

(n) Other reasonable and necessary subjects determined by the Chancellor.

(3) The agreement described in Section .02(1) may be in a paper or electronic format.

1720-01-13-.03 DEFINITIONS.

(1) The term "campus" means The University of Tennessee at Chattanooga; The University of Tennessee Health Science Center; The University of Tennessee, Knoxville; The University of Tennessee Space Institute; The University of Tennessee at Martin; and/or The University of Tennessee Institute of Agriculture.

(2) The term "Chancellor" means the person elected by the Board of Trustees for The University of Tennessee to serve as the Chancellor for a particular campus or institute, or the Chancellor's designee.

(3) The term "fraternity house(s)" means a building located on University-controlled property that is leased to an organized national or local college or university fraternity.

(4) The term "residence hall(s)" means student housing other than fraternity houses and sorority houses.

(5) The term "sorority house(s)" means a building located on University-controlled property that is leased to an organized national or local college or university sorority.

(6) The term "student" means a person admitted, enrolled or registered for study at the University of Tennessee, either full-time or part-time, pursuing undergraduate, graduate, or professional studies, as well as non-degree seeking students.

(7) The term "student housing" means University property primarily intended for use by University students as places to reside. Examples of student housing include, without limitation, residence halls, dormitories, apartments, hotels, fraternity houses, and sorority houses.

(8) The terms "University" and "University of Tennessee" mean the campuses, centers, and institutes of the University of Tennessee, and all their constituent parts, and the University of Tennessee system.

(9) The term "University property" means all land, buildings, houses, facilities, grounds, structures, or any other property owned, leased, used, maintained, or operated by the University of Tennessee.

University of Tennessee Rules
 Chapter 1720-01-13 Student Housing

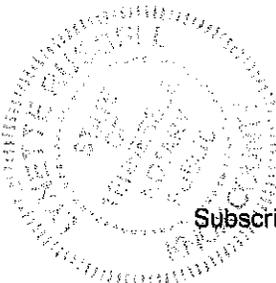
Authority: T.C.A. § 49-9-209(e) and Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5, and Public Acts of Tennessee, 1807, Chapter 64.

*If a roll-call vote was necessary, the vote by the Agency on these rules was as follows.

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Governor Bill Haslam				X	
Commissioner Candace McQueen				X	
Commissioner Jai Templeton	X				
Dr. Joe DiPietro	X				
Dr. Russ Deaton (non-voting)					
Charles C. Anderson, Jr.				X	
Shannon Brown	X				
George E. Cates	X				
Dr. Susan C. Davidson (non-voting)					
Spruell Driver, Jr.				X	
Dr. William E. Evans	X				
John N. Foy	X				
Crawford Gallimore	X				
Vicky B. Gregg				X	
Raja J. Jubran	X				
Brad A. Lampley	X				
James L. Murphy, III	X				
Sharon J. Miller Pryse	X				
Dr. Jefferson S. Rogers	X				
Rhedona Rose	X				
Miranda N. Rutan	X				
John Tickle	X				
Julia T. Wells	X				
Charles E. Wharton	X				
Tommy G. Whittaker	X				

University of Tennessee Rules
Chapter 1720-01-13 Student Housing

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the University of Tennessee Board of Trustees on 06/23/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.



Date: 07/01/2016

Signature: _____

Name of Officer: Matthew Scoggins

Title of Officer: Deputy General Counsel

Subscribed and sworn to before me on: 7-1-16

Notary Public Signature: _____

My commission expires on: 12-4-18

All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slatery III
Herbert H. Slatery III
Attorney General and Reporter
7/27/2016
Date

Department of State Use Only

Filed with the Department of State on: _____

9/16/16

Effective on: _____

8/1/17

Tre Hargett

Tre Hargett
Secretary of State

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PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

DEPARTMENT: University of Tennessee

DIVISION:

SUBJECT: Student Housing Regulations; Differentiated Housing, Judicial Proceedings, Safety Regulations

STATUTORY AUTHORITY: Tennessee Code Annotated, Section 49-9-209

EFFECTIVE DATES: August 1, 2017 through June 30, 2018

FISCAL IMPACT: Minimal

STAFF RULE ABSTRACT: Student affairs and housing officials in the University of Tennessee System (UT) have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

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- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

None.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Students of the University of Tennessee are most directly affected by this rule. The student member of the UT Board of Trustees voted to approve the rule.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None.

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Not significant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

University of Tennessee Rules
Chapter 1720-05-04 Student Housing Regulations

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

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719 Andy Holt Tower
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Sequence Number: 09-20-16
 Rule ID(s): 6305
 File Date: 9/16/16
 Effective Date: 8/1/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Agency/Board/Commission:	University of Tennessee
Division:	
Contact Person:	Matthew Scoggins, Deputy General Counsel
Address:	719 Andy Holt Tower, 1331 Circle Park, Knoxville, TN
Zip:	37996-0170
Phone:	865-974-3245
Email:	scoggins@tennessee.edu

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1720-05-04	Student Housing Regulations
Rule Number	Rule Title
1720-05-04-.01	Housing Requirement
1720-05-04-.02	Classification (For Housing Purposes Only)
1720-05-04-.03	Types of Differentiated Housing
1720-05-04-.04	Separate Accommodations By Sex
1720-05-04-.05	Judicial Proceedings
1720-05-04-.06	Room Painting
1720-05-04-.07	Period of Occupancy
1720-05-04-.08	Residence Hall Safety Regulations
1720-05-04-.09	Termination of Housing Contract
1720-05-04-.10	Pregnancy
1720-05-04-.11	Repealed

**RULES
OF
THE UNIVERSITY OF TENNESSEE AT MARTIN**

**CHAPTER 1720-5-4
STUDENT HOUSING REGULATIONS**

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1720-5-4-.03	Types of Differentiated Housing	1720-5-4-.09	Termination of Housing Contract
1720-5-4-.04	Separate Accommodations By Sex	1720-5-4-.10	Pregnancy
1720-5-4-.05	Judicial Proceedings	1720-5-4-.11	Repealed
1720-5-4-.06	Room Painting		

1720-5-4-.01 HOUSING REQUIREMENT. ~~In view of the educational advantages and academic needs on campus and the desire to provide campus housing at a minimum cost to students, The University of Tennessee at Martin requires all single freshmen and sophomores, except those living with their parents, to live on campus.~~

~~*Authority:* T.C.A. §49-9-209(c). *Administrative History:* Original rule filed September 15, 1976; effective October 15, 1976. Amendment filed August 22, 1980; effective December 1, 1980. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

1720-5-4-.02 CLASSIFICATION (FOR HOUSING PURPOSES ONLY). ~~For housing policy purposes (but not for academic classification purposes), a freshman is defined as a student with less than two completed semesters of work (fewer than 30 hours), a sophomore as one with two but less than four semesters (fewer than 60 hours), a junior as one with four but less than six semesters, and a senior as one with six or more semesters completed. A graduate student is a student taking course work beyond the bachelor degree level. Summer semester work may be counted in computing the number of semesters.~~

~~*Authority:* §49-9-209(c). *Administrative History:* Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

1720-5-4-.03 TYPES OF DIFFERENTIATED HOUSING.

Three types of on campus housing are available for single students.

- (a) **TYPE I: No Visitation.** Available to all single students, with preference to freshmen, followed by sophomores, juniors, and seniors. Quiet hours are enforced between 8:00 p.m. and 8:00 a.m. Sunday through Thursday and from 12:00 a.m. until 8:00 a.m. Friday and Saturday. During examination week, quiet hours are in effect 24 hours daily. Hall clerks are on duty 24 hours daily. Resident Assistants on each floor provide counseling and aid in maintaining order. Emergency message service is available at the central desk.
- (b) **TYPE II: Limited Visitation.** Available to all single students, with preference to freshmen, followed by sophomores, juniors and seniors. Quiet hours are enforced between 8:00 p.m. and 8:00 a.m. Sunday through Thursday and from 12:00 a.m. until 8:00 a.m. Friday and Saturday. During examination weeks, quiet hours are in effect 24 hours daily. Sunday through Thursday, visitation is permitted between 12:00 p.m. and 12:00 a.m. Friday and Saturday visitation is between 12:00 p.m. and 2:00 a.m. Hall clerks are on duty 24 hours daily. Resident Assistants on each floor provide counseling and aid in maintaining order. Emergency message service is available at the central desk.

(Rule 1720-5-4-.03, continued)

- (e) ~~TYPE III: Available to all single students living in apartments. Open visitation 24 hours daily. Minimal supervision and regulations. Students must conform to all Student Handbook policies.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

1720-5-4-.04 SEPARATE ACCOMMODATIONS BY SEX. ~~Co-educational housing of single students in the same suites, rooms or apartments is not permitted at UTM.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

1720-5-4-.05 JUDICIAL PROCEEDINGS. ~~Standards of conduct expected of students are published in the Student Handbook, and specific regulations pertaining to residence halls are posted on bulletin boards or announced in hall meetings. Students who are accused of violations may have their cases handled in either of two ways:~~

- (1) ~~Administratively by the Hall Director or Student Affairs staff; or~~
- (2) ~~By the student court.~~

~~After hearing a case, a judgment of guilt or innocence is made and a penalty is assessed where appropriate. The penalties that may be assessed are loss of privilege, disciplinary warning, disciplinary probation, and suspension. In addition, these penalties may include dismissal from the residence hall or apartment. The student has the option to appeal to the Disciplinary Hearing Board or the University Council.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

1720-5-4-.06 ROOM PAINTING. ~~Interested residents should visit the Housing Facilities Office and discuss room painting with the Paint Supervisor.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

1720-5-4-.07 PERIOD OF OCCUPANCY. ~~Students having assignments may occupy their rooms on the date specified by the Office of Housing. Normally the dates begin the day preceding registration period and end on the last day of the final examination period, except for certain university holidays such as Thanksgiving and Easter. If a student fails to occupy the assigned room by the date specified without giving the Office of Housing prior notification of delayed arrival, the room may be reassigned to another student. Delayed arrival does not relieve the student of the responsibility for accepting available accommodation.~~

- (1) ~~Soliciting is not permitted in the non public areas of the residence halls. It may be permitted in the public areas by registered student organizations depending on space, circumstances and provisions of the Student Handbook.~~
- (2) ~~Windows and Screens: Window screens must not be unfastened or removed. In addition, the following rules also apply:~~
 - (a) ~~Food may not be stored between windows and screens or outside of the windows at anytime.~~
 - (b) ~~Displays in windows which are deemed inappropriate by the hall head staff and not removed by the resident(s), will be removed by the staff and the resident(s) billed for this service.~~

(Rule 1720-5-4-.07, continued)

- (e) ~~Under no circumstances will the throwing of objects from any windows in the residence halls be tolerated. Such conduct poses a danger to the health and safety of other residents. Residents assigned to a room from which an object is thrown will be subject to administrative eviction from the university residence halls in accordance with the terms and conditions of the Housing Contract.~~
- (3) ~~Business from Residents' Rooms: Residents are not permitted to carry on any organized business for remunerative purposes from their apartments or rooms, inscribe or affix any sign, object, advertisement, or notice on any part of the inside or outside of the building or premises, or use their room phone numbers for business purposes.~~
- (4) ~~Open House and Visitation: At no time may a member of the opposite sex be in a non-public area unless the guest is in compliance with the open house or visitation policies of that unit. Resident Assistants are able to define these areas specifically for the hall, including but not limited to corridor of a living unit, resident's room, etc.~~
- (5) ~~Guests: Residents may have overnight guests of the same sex only; it is the host's responsibility to arrange for sleeping facilities, including linens, permission from another roommate for use of his/her bed, etc. Unless extraordinary arrangements have been made with the Hall Director or Assistant Hall Director, no keys will be issued to guests, and no resident may have a guest in the hall when the resident will not be present to act as his/her host.~~
- (a) ~~Guests are discouraged during weekday nights and during the last week of each semester when final exams are being given. The maximum length of any visit is 3 days and 3 nights, with extensions granted only by the Hall Director or Assistant Hall Director.~~
- (b) ~~University officials can require guests to produce proof that they are legitimate guests. Guests must complete a Guest Registration Card available at the main desk of each hall. The information on this card may aid in contacting the guest and/or his/her designee should the need arise. The guest's copy of the card will also serve as an identification card during his/her stay on campus.~~
- (c) ~~All guests are governed by university and residence hall rules and regulations. For a violation of rules by an off-campus guest, the host is responsible for any damages caused by the guest.~~
- (d) ~~No individual will be permitted to sleep in the main or floor lounges of university residence halls. Night clerks and hall staff will ask such persons to leave the hall or to return to their assigned rooms. If a non-resident does not comply with the request to leave, Campus Security will be called to remove them.~~
- (6) ~~Pets: For health reasons, pets are not permitted in the halls. Cats, dogs and other pets present a multitude of problems in a residence hall and are not permitted on the premises. (The only exceptions to this policy are (1) guide dogs accompanying blind persons and (2) fish which live completely submerged in water.)~~
- (7) ~~Attachments: Residents should not install any of the following in their rooms:~~
- (a) ~~Locks;~~
- (b) ~~Decals or transfer pictures;~~
- (c) ~~Outside antenna for radio or television;~~

(Rule 1720-5-4-.07, continued)

- (d) ~~Additional electrical wiring;~~
 - (e) ~~Attachments to the telephone;~~
 - (f) ~~Shades, blinds, awnings or window guards;~~
 - (g) ~~Air conditioning or heating units.~~
- (8) ~~Noise Level: Residents are expected to show consideration for others at all times and should avoid excessive noise. They are requested to refrain from unnecessary noise, congregating in the hall, bath, or elevator areas; loud talking or laughing; and loud playing of electronic equipment. For obvious (audible) reasons, musical instruments may be played only in areas provided for this purpose. Abuse of these standards may result in the instrument or appliance being stored until it can be removed from the campus. Radios, stereos or other electronic equipment should not be placed in or near windows, as the noise may distract others whose windows may be open.~~

~~Beyond this, residence hall associations may establish specific quiet hours within their respective halls.~~

- (9) ~~Furniture: All university property is inventoried according to location and is not to be moved or dismantled except with written permission of the Hall Director. Removal of furniture from its assigned location, except with permission, is grounds for disciplinary action. Residents will also be charged for any furniture or facilities assigned to their rooms and found missing at the time of checkout.~~
- (10) ~~Water Furniture: Water furniture, including beds and chairs, are not permitted in residents' rooms.~~
- (11) ~~Bicycles: Racks are provided for bikes in front of each hall. Off street parking is provided for motorized bikes in designated areas. Motorized bikes are not allowed inside residence halls. Although non motorized bikes may be kept in residents' rooms, they are not to be left unattended, ridden, or chained in common areas of the halls such as hallways, stairwells, lobbies, study rooms, etc. Bikes found in such areas will be removed at the owner's expense, stored for a short time, and then disposed of. (Bikes may not be stored in luggage or other storage rooms due to lack of space.)~~
- (12) ~~Stairwells: Under no circumstances will the dropping of objects or fireworks down stairwells be tolerated. Such conduct poses obvious danger to the health and safety of other residents. Persons involved in such actions will be subject to eviction from university residence halls, in accordance with the terms and conditions of the Housing contract.~~
- (13) ~~The University Of Tennessee Reserves The Right To Make Other Policies From Time To Time Deemed Necessary And Appropriate For The Safety And Cleanliness Of The Premises, And For Securing The Comfort And Convenience Of All Residents.~~

Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule file November 10, 2005; effective March 30, 2006.

1720-5-4-.08 RESIDENCE HALL SAFETY REGULATIONS:

- (1) ~~Flammable Items: Items which are flammable, such as fuel, etc., may not be stored in residents' rooms.~~

(Rule 1720-5-4-.08, continued)

- (2) ~~Open Flames: Items which require an open flame to operate or which produce heat (i.e., Bunsen burners, lighted candles, alcohol burners) are not allowed in residents' rooms. Candles must have the wicks removed and may be used for decorative purposes.~~
- (3) ~~Decorations: Decorative items, such as fishnets, parachutes, and other such items which are flammable are not permitted in residents' rooms, unless they have been fireproofed. Only Underwriters' Laboratory (U.L.) approved lights may be used to decorate rooms.~~
- (4) ~~Cooking: Hall kitchens and other facilities are provided for residents to use for cooking. Cooking with open coil appliances is not permitted in student rooms.~~
- (5) ~~Electrical Appliances: In residence halls, U.L. approved microwaves, George Forman type grills, closed coil only popcorn poppers and coffee makers may be in student rooms.~~
- (6) ~~Fires And Fire Drills: Fire evacuation plans are posted in each resident's room. A resident will be subject to disciplinary action for tampering with or activating fire alarm or control equipment except in case of a fire or for failure to evacuate the building during an evacuation and safety drill. A safety exit drill will be conducted in each residence hall once per month in compliance with state law. A resident who sees or suspects a fire should immediately notify a staff member who will activate the fire alarm system if necessary.~~
- (7) ~~Fire Lanes: Several halls have nearby emergency lanes which are strictly reserved for use by emergency vehicles only. Unauthorized vehicles parked in these areas will be towed away by Public Safety at the owner's risk and expense.~~
- (8) ~~Safety Equipment: The University of Tennessee at Martin, through the Office of Housing, hereby advises all students that the University will not tolerate the irresponsible behavior of persons whose actions jeopardize the safety and welfare of others. Tampering with, vandalizing, or otherwise abusing elevator, fire, or safety equipment in the university residence halls will constitute reason for eviction from the residence halls and possible suspension from The University of Tennessee at Martin.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

~~1720-5-4-.09 TERMINATION OF HOUSING CONTRACT. When considered in the best interest of the university, a resident can be asked to move from the hall. An appeal can be made by the student through the established administrative and judicial procedures.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed November 10, 2005; effective March 30, 2006.~~

~~1720-5-4-.10 PREGNANCY. UTM Housing Office policies do not permit assignment of single student rooms to pregnant students during the third trimester of pregnancy. This policy does not prevent a pregnant woman from enrolling in the university provided off-campus housing and medical arrangements can be made by the enrolling student and her family. The primary concern of this university policy is that the prospective mother be in an environment where the necessary service and care be provided for her and her baby. Alternative housing will be offered. Refund of the customary portion of rent paid would be made.~~

~~Authority: §49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Repeal and new rule filed November 10, 10, 2005; effective March 30, 2006.~~

~~1720-5-4-.11 REPEALED.~~

STUDENT HOUSING REGULATIONS

CHAPTER 1720-5-4

(Rule 1720-5-4-.08, continued)

~~*Authority:* §49-9-209(e). *Administrative History:* Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed January 13, 1999; effective May 31, 1999. Repeal filed November 10, 2005; effective March 30, 2006.~~

University of Tennessee Rules
Chapter 1720-05-04 Student Housing Regulations

The University of Tennessee at Martin
Chapter 1720-05-04
Student Housing Regulations

Repeal

Chapter 1720-05-04 Student Housing Regulations is repealed in its entirety.

Authority: T.C.A. § 49-9-209(e) and Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5, and Public Acts of Tennessee, 1807, Chapter 64.

*If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Governor Bill Haslam				X	
Commissioner Candace McQueen				X	
Commissioner Jai Templeton	X				
Dr. Joe DiPietro	X				
Dr. Russ Deaton (non-voting)					
Charles C. Anderson, Jr.				X	
Shannon Brown	X				
George E. Cates	X				
Dr. Susan C. Davidson (non-voting)					
Spruell Driver, Jr.				X	
Dr. William E. Evans	X				
John N. Foy	X				
Crawford Gallimore	X				
Vicky B. Gregg				X	
Raja J. Jubran	X				
Brad A. Lampley	X				
James L. Murphy, III	X				
Sharon J. Miller Pryse	X				
Dr. Jefferson S. Rogers	X				
Rhedona Rose	X				
Miranda N. Rutan	X				
John Tickle	X				
Julia T. Wells	X				
Charles E. Wharton	X				
Tommy G. Whittaker	X				

University of Tennessee Rules
Chapter 1720-05-04 Student Housing Regulations

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the University of Tennessee Board of Trustees on 06/23/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.

Date: 07/01/2016

Signature: _____

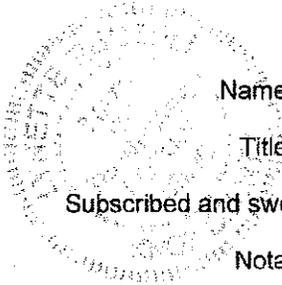
Name of Officer: Matthew Scoggins

Title of Officer: Deputy General Counsel

Subscribed and sworn to before me on: 7-1-16

Notary Public Signature: Lynette Russell

My commission expires on: 12-4-18



All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slattery III
Herbert H. Slattery III
Attorney General and Reporter
7/27/2016
Date

Department of State Use Only

Filed with the Department of State on: 9/16/16

Effective on: 8/1/17

Tre Hargett

Tre Hargett
Secretary of State

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PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

DEPARTMENT: University of Tennessee

DIVISION:

SUBJECT: Student Housing Regulations; Safety Inspections, Violations, Housing Contracts

STATUTORY AUTHORITY: Tennessee Code Annotated, Section 49-9-209

EFFECTIVE DATES: August 1, 2017 through June 30, 2018

FISCAL IMPACT: Minimal

STAFF RULE ABSTRACT: Student affairs and housing officials in the University of Tennessee System (UT) have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

The Regulatory Flexibility Addendum is not applicable.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The University of Tennessee anticipates that this rule change will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Student affairs and housing officials in The University of Tennessee System have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

None.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Students of the University of Tennessee are most directly affected by this rule. The student member of the UT Board of Trustees voted to approve the rule.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

Not significant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

University of Tennessee Rules
Chapter 1720-03-06 Student Housing Regulations

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Matthew Scoggins
Deputy General Counsel
University of Tennessee
719 Andy Holt Tower
Knoxville, TN 37996-0170
scoggins@tennessee.edu
865-974-3245

- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.

Department of State
Division of Publications
 312 Rosa L. Parks Avenue, 8th Floor Snodgrass/TN Tower
 Nashville, TN 37243
 Phone: 615-741-2650
 Fax: 615-741-5133
 Email: register.information@tn.gov

For Department of State Use Only

Sequence Number: 09-21-16
 Rule ID(s): 6306
 File Date: 9/16/16
 Effective Date: 8/1/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Agency/Board/Commission:	University of Tennessee
Division:	
Contact Person:	Matthew Scoggins, Deputy General Counsel
Address:	719 Andy Holt Tower, 1331 Circle Park, Knoxville, TN
Zip:	37996-0170
Phone:	865-974-3245
Email:	scoggins@tennessee.edu

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1720-03-06	Student Housing Regulations
Rule Number	Rule Title
1720-03-06-.01	General Rules and Regulations
1720-03-06-.02	Safety Inspection
1720-03-06-.03	Violations
1720-03-06-.04	Housing Contracts

**RULES
OF
THE UNIVERSITY OF TENNESSEE, HEALTH SCIENCE CENTER**

**CHAPTER 1720-3-6
STUDENT HOUSING REGULATIONS**

TABLE OF CONTENTS

1720-3-6-.01	General Rules and Regulations	1720-3-6-.03	Violations
1720-3-6-.02	Safety Inspection	1720-3-6-.04	Housing Contracts

1720-3-6-.01 GENERAL RULES AND REGULATIONS:

- (1) ~~Room Damages— Student Housing recognizes the residents' desire to personalize their room with items such as pictures, lamps, etc. When the use or hanging of these items damages the walls, floors, ceilings or furnishings of a room or apartment, charges for repair or replacement will be the responsibility of the resident.~~
- (2) ~~Possession of alcohol and drugs in residence halls is prohibited.~~
- (3) ~~Possession of explosive or firearms in residence halls is prohibited.~~
- (4) ~~Pets are prohibited in the residence halls and on the premises. The only exception to this policy is trained guide dogs accompanying individuals with visual impairment.~~
- (5) ~~Cooking in the residence halls is allowed in designated kitchen areas. Appliances approved for use in student rooms are: Electric coffeepots, coffee warmer, electric hot pots and microwave ovens. All other appliances are prohibited. No appliances with an open flame or exposed heating element are allowed.~~

~~*Authority: Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5 and Public Acts of Tennessee, 1807, Chapter 64. Administrative History: Original rule filed September 15, 1976; effective October 15, 1976. Repealed by Public Chapter 575; effective July 1, 1986. New rule filed May 27, 1986; effective August 12, 1986. Amendment filed August 31, 1995; effective December 30, 1995.*~~

1720-3-6-.02 SAFETY INSPECTION:

- (1) ~~Fire drills are conducted a minimum on 4 times each year. All residents are required to participate. Persons in the hall who fail to exit the building when a fire alarm sounds, shall be subject to disciplinary action.~~
- (2) ~~Safety inspections are conducted monthly to check smoke detectors and check for other fire or safety violations. A notice of the scheduled inspection will be posted in visible areas of the residence halls 24 hours before the scheduled inspection. Residents violating safety rules and regulations are subject to disciplinary action.~~
- (3) ~~Smoke Detectors have been installed in each residence hall room according to Tennessee Fire Code. These detectors are placed in the room to alert the residents to the presence of smoke. UT, Health Science Center staff members inspect the smoke detectors monthly to assure that they are operating properly. Removal or tampering with smoke detectors or other fire safety equipment is prohibited.~~

~~*Authority: Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5 and Public Acts of Tennessee, 1807, Chapter 64. Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed August 31, 1995; effective December 30, 1995.*~~

(Rule 1720-3-6-.02, continued)

1720-3-6-.03 VIOLATIONS. Any violation of these regulations is punishable by those penalties set forth in the Student Rights and Responsibilities section of the UT Health Science Center Student Handbook.

Authority: Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5 and Public Acts of Tennessee, 1907 Chapter 64. Administrative History: New rule filed May 27, 1986; effective August 12, 1986. Amendment filed August 31, 1995; effective December 30, 1995.

1720-3-6-.04 HOUSING CONTRACT.

- (1) The Housing Acceptance Agreement Form (Housing Contract) is a binding contract. Signing of the agreement constitutes a legal contract between The University of Tennessee, Health Science Center and the resident to fulfill the terms of the contract.
- (2) **Contract Period:** The Housing Acceptance Agreement Form, unless otherwise stated on the agreement, is for the full academic year from July 1 through June 30.
- (3) **Release from Contract:** Release from the contract will be granted for any of the following reasons. Marriage during a term, end of term, university assignment to an out of town rotation, withdrawal or suspension. Residents are required to submit a notice of cancellation to the Office of Student Housing thirty (30) days before the date they plan to cancel the contract. Providing the request for release meets the terms of the contract residents will be held responsible for 30 days rent from the date cancellation notice is received.
 - (a) **New assignments**—A contract may be cancelled with no penalty providing the Office of Student Housing is notified in writing by the cancellation date shown on the contract. A contract cancelled after the contract cancellation date through the first day of registration will be accepted providing the student has not checked in the residence hall. This cancellation will result in forfeiture of the \$50.00 advance rent deposit.
 - (b) **Current residents/End of term**—A resident may cancel the upcoming portions of a contract by submitting a written notice of cancellation to the office of Student Housing 30 days before the end of any term. A resident who fails to check out at the end of the term may be held responsible for rent for the next term.
 - (c) **Assignment to out of town rotation**—A resident who receives an out of town assignment will be released by submitting a 30 day notice of cancellation.
 - (d) **Marriage during Contract**—A resident will be released with 30 day notice and proof of marriage.
 - (e) **Withdrawal, Suspension or Dismissal**—A resident who withdraws from the university or is suspended or dismissed from the University is expected to vacate the residence halls within 24 hours of completing university withdrawal or official notification of suspension or dismissal.

Authority: T.C.A. §4-9-209(c). Administrative History: Original rule filed August 31, 1995; effective December 30, 1995. Amendment filed November 17, 2000; effective March 30, 2001.

University of Tennessee Rules
 Chapter 1720-03-06 Student Housing Regulations

The University of Tennessee, Health Science Center
 Chapter 1720-03-06
 Student Housing Regulations

Repeal

Chapter 1720-03-06 Student Housing Regulations is repealed in its entirety.

Authority: T.C.A. § 49-9-209(e) and Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5, and Public Acts of Tennessee, 1807, Chapter 64.

*If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Governor Bill Haslam				X	
Commissioner Candace McQueen				X	
Commissioner Jai Templeton	X				
Dr. Joe DiPietro	X				
Dr. Russ Deaton (non-voting)					
Charles C. Anderson, Jr.				X	
Shannon Brown	X				
George E. Cates	X				
Dr. Susan C. Davidson (non-voting)					
Spruell Driver, Jr.				X	
Dr. William E. Evans	X				
John N. Foy	X				
Crawford Gallimore	X				
Vicky B. Gregg				X	
Raja J. Jubran	X				
Brad A. Lampley	X				
James L. Murphy, III	X				
Sharon J. Miller Pryse	X				
Dr. Jefferson S. Rogers	X				
Rhedona Rose	X				
Miranda N. Rutan	X				
John Tickle	X				
Julia T. Wells	X				
Charles E. Wharton	X				
Tommy G. Whittaker	X				

University of Tennessee Rules
Chapter 1720-03-06 Student Housing Regulations

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the University of Tennessee Board of Trustees on 06/23/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.

Date: 07/01/2016

Signature: _____

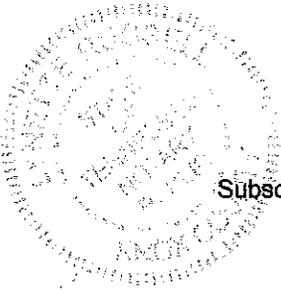
Name of Officer: Matthew Scoggins

Title of Officer: Deputy General Counsel

Subscribed and sworn to before me on: 7-1-16

Notary Public Signature: _____

My commission expires on: 12-4-18



All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slattery III
Herbert H. Slattery III
Attorney General and Reporter
8/4/2016
Date

Department of State Use Only

Filed with the Department of State on: _____

Effective on: _____

9/16/16

8/1/17

Tre Hargett

Tre Hargett
Secretary of State

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PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

DEPARTMENT: University of Tennessee

DIVISION:

SUBJECT: Student Housing Regulations; Residence Requirements, Contractual Arrangements, Room Changes

STATUTORY AUTHORITY: Tennessee Code Annotated, Section 49-9-209

EFFECTIVE DATES: August 1, 2017 through June 30, 2018

FISCAL IMPACT: Minimal

STAFF RULE ABSTRACT: Student affairs and housing officials in the University of Tennessee System (UT) have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

The Regulatory Flexibility Addendum is not applicable.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/facts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The University of Tennessee anticipates that this rule change will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Student affairs and housing officials in The University of Tennessee System have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

None.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Students of the University of Tennessee are most directly affected by this rule. The student member of the UT Board of Trustees voted to approve the rule.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

Not significant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

University of Tennessee Rules
Chapter 1720-02-02 Student Housing

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Matthew Scoggins
Deputy General Counsel
University of Tennessee
719 Andy Holt Tower
Knoxville, TN 37996-0170
scoggins@tennessee.edu
865-974-3245

- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.

**Department of State
Division of Publications**

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Nashville, TN 37243
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Fax: 615-741-5133
Email: register.information@tn.gov

For Department of State Use Only

Sequence Number: 09-22-16
Rule ID(s): 6307
File Date: 9/16/16
Effective Date: 8/1/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Agency/Board/Commission:	University of Tennessee
Division:	
Contact Person:	Matthew Scoggins, Deputy General Counsel
Address:	719 Andy Holt Tower, 1331 Circle Park, Knoxville, TN
Zip:	37996-0170
Phone:	865-974-3245
Email:	scoggins@tennessee.edu

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1720-02-02	Student Housing Regulations
Rule Number	Rule Title
1720-02-02-.01	Residence Requirements
1720-02-02-.02	Differentiated Housing
1720-02-02-.03	Contractual Arrangements
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1720-02-02-.06	Check Out
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**RULES
OF
THE UNIVERSITY OF TENNESSEE AT CHATTANOOGA**

**CHAPTER 1720-2-2
STUDENT HOUSING REGULATIONS**

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1720-2-2-.01 RESIDENCE REQUIREMENTS.

- (1) ~~Single out-of-town students attending the University are expected to live in University housing when space is available unless they commute from their homes in nearby towns.~~
- (2) ~~They may not live off campus when residence hall space is available without permission from the Housing Office.~~

~~Authority: TCA § 49-9-209(e). Administrative History: Original rule filed September 15, 1976; effective October 15, 1976. Repealed by Public Chapter 575; effective July 1, 1986. New rule filed May 27, 1986; effective August 12, 1986. Amendment filed June 19, 2006; effective October 27, 2006.~~

1720-2-2-.02 DIFFERENTIATED HOUSING.

- (1) ~~The concept of Differentiated Housing at The University of Tennessee at Chattanooga campus offers students, with parental involvement, the choice of the housing facility and living atmosphere in which he or she will live. The plans available are:~~
 - (a) ~~TYPE A—Visitation privileges are allowed in the living dining area from 12:00 noon until 12:00 midnight.~~
 - (b) ~~TYPE B—This plan involves minimal rules, regulations, and supervision. This option is available to upper class students only.~~

~~Authority: TCA § 49-9-209(e). Administrative History: Original rule filed September 15, 1976; effective October 15, 1976. Repealed by Public Chapter 575; effective July 1, 1986. New rule filed May 27, 1986; effective August 12, 1986. Amendment filed August 31, 1995; effective December 30, 1995. Amendment filed June 19, 2006; effective October 27, 2006.~~

1720-2-2-.03 CONTRACTUAL ARRANGEMENTS.

~~Contractual Arrangements. Each resident student signs an individual contract with the University for the premises he/she will occupy. This agreement covers occupancy for the entire academic year unless specifically indicated otherwise on the contract itself. Any student who for any reason wishes to alter the terms of his/her contract, must apply in writing to the University Housing Office at least thirty days prior to the anticipated change. If the contract is modified, notification will be sent in writing to all parties concerned prior to the effective date of action. Unless written exception is granted by the University, he/she is liable for the full extent of the original statement.~~

~~Authority: TCA § 49-9-209(e). Administrative History: Original rule filed September 15, 1976; effective October 15, 1976. Repealed by Public Chapter 575; effective July 1, 1986. New rule filed May 27, 1986; effective August 12, 1986. Amendment filed June 19, 2006; effective October 27, 2006.~~

1720-2-2-.04 DAMAGE:

- (1) The student is responsible for the condition and proper care of the accommodations assigned and shall reimburse the University for all damages done within or to said accommodations in which he/she is housed, for all damages to Resident Hall non-public areas, and all damage to, or loss of University fixtures, furnishings, or property furnished under the contract. Charges for damages and/or necessary cleaning will be assessed against the student, or students, by the University and must be paid promptly. Failure to pay assessment will result in a hold on a student's registration, graduation and/or transcript.
- (2) Non-public areas refer to the studies, lounges and restroom facilities, hallways and other areas of a floor of the residence hall which are provided primarily for the use of students having accommodations on that floor.

Authority: TCA § 49-9-209(e). Administrative History: Original rule filed September 15, 1976; effective October 15, 1976. Amendment filed July 9, 1983; effective October 14, 1983. Repealed by Public Chapter 575; effective July 1, 1986. New rule filed May 27, 1986; effective August 12, 1986. Amendment filed June 19, 2006; effective October 27, 2006.

1720-2-2-.05 ROOM CHANGES:

- (1) The University expects students to continue residency in the room to which they are assigned. However, it realizes that changes are sometimes mutually beneficial.
- (2) Through regularly scheduled procedures, room changes may be made. With the prior written approval of the Resident Director and the Housing Office one change that is mutually agreeable may be made without charge during the semester. After the first change, a \$5.00 fee will be assessed any time a student is allowed to move. Failure to obtain the written prior approval of both the Resident Director and the Housing Office will result in a minimum \$5.00 assessment for administrative costs and also could result in the imposition of disciplinary sanctions.

Authority: TCA § 49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed August 31, 1995; effective December 30, 1995. Amendment filed June 19, 2006; effective October 27, 2006.

1720-2-2-.06 CHECK OUT. Check Out. When a student is assigned specific accommodations, the University assumes occupancy by that student until notified otherwise. When vacating the premises, either for another on-campus facility or to leave University housing it is the occupant's responsibility to check out in person with a staff member of the residence hall. At that time, an evaluation of the facility is made in the occupant's presence and a report is completed on deficiencies or damages for which the student is responsible. Failure to check out in the prescribed manner will result in the occupant's being held liable for any or all deficiencies or damages found, as well as for the cost to replace keys, locks or other such items that affect the appearance or security of the unit. He/she will also be assessed administrative costs incurred by this failure to check out.

Authority: TCA § 49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed June 19, 2006; effective October 27, 2006.

1720-2-2-.07 INSPECTION AND SEARCH POLICY:

- (1) Entry by University authorities into occupied rooms in residence halls will be divided into three categories: inspection, search, and emergency. Inspection is defined as the entry into an occupied room or apartment by University authorities in order to ascertain the health and safety conditions in the areas, or to check the physical condition of the area, or to make repairs on facilities, or to perform cleaning and janitorial operations. Search is defined as the entry into an occupied room by on-campus authorities for the purpose of investigating suspected violations of campus regulations and/or city,

Rule 1720-2-2-.07, continued

~~state, or federal law. An emergency situation exists when the delay necessary to obtain search authorization constitutes a danger to persons, property, or the building itself.~~

- ~~(a) Inspection: Scheduled inspection by on-campus authorities with the exception of daily janitorial operations, shall be preceded, if possible, by twenty-four hours notice to the residents.~~
- ~~(b) During the inspection, there will be no search of drawers or closets or personal belongings.~~
- ~~(c) Search: On-campus authorities will not enter a room for purposes of search except in compliance with state law or with the permission of the resident or the written permission of the Vice Chancellor for Student Development or his/her representative. University authorities shall have, if possible, the Resident Director of the hall or his/her designee accompany them on the search.~~
- ~~(d) For purposes of maintenance, and fire and safety evaluation, rooms will be inspected periodically by the University staff. Normally the resident assistant will be involved in this part of the program and will work out arrangements with the individual occupant beforehand.~~

~~Authority: TCA § 49-9-209(e). Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed June 19, 2006; effective October 27, 2006.~~

1720-2-2-.08 RESIDENCE HALL REGULATIONS.

- ~~(1) Telephone Services. Telephones have been installed in the rooms of all residence halls and apartments. Each phone may be reached directly from without the University as well as within it by merely dialing its assigned number. There is no additional charge for local service. However, long distance calls may be made or accepted collect only by those persons who have an official charge card number from the UTC Telephone Services, or a private company or the Bell Telephone Company. No calls may be charged to the telephone number that is listed on the telephone instrument. No collect calls will be accepted and extensions are prohibited.~~
- ~~(2) Safety Prohibitions.~~
 - ~~(a) Percolators, hot plates, immersion heaters, and popcorn poppers are prohibited in dorm rooms.~~
 - ~~(b) No candles, open flames, or incense burning is allowed.~~
 - ~~(c) Light bulbs should not be touching or near clothing or other flammables.~~
 - ~~(d) Extension cords must be underwriter laboratory approved or equal. Covering must be in good condition. Plugs and cords must be the same size or larger than appliance wire and not hidden under rugs, trash, paper, clothing, or books, nor near heat sources.~~
 - ~~(e) Storage of gasoline, other fuels or vehicles containing them is prohibited.~~
 - ~~(f) Hot plates or other cooking equipment may not be used in dormitory rooms because of fire regulations and sanitary reasons.~~
 - ~~(g) Cooking in individual rooms is prohibited.~~
- ~~(3) Fire Drills. Each dormitory must have at least one fire drill per month. These are conducted so that each resident can vacate the building quickly and safely in case of emergency. The drills are planned and supervised by the Housing Office, the Security Office, and the Resident Directors. Anytime that~~

(Rule 1720-2-2-.08, continued)

~~the fire alarm is sounded in a University building every occupant of the building is required to evacuate immediately. The University police will assist with the evacuation to see that the building is totally vacated and no one will be allowed to re-enter prior to the expressed consent of the security officers on duty. Reports are filed with the offices concerned.~~

- ~~(4) Guests. Residents may have overnight guests of the same sex only, if prior arrangements have been made with roommate(s). The maximum length of any visit is three days and three nights. All guests are governed by the University and residence hall regulations, and it is the host's responsibility to make guests aware of this. In cases where the guest is in violation of University regulations, disciplinary action may be brought against the host.~~
- ~~(5) Alcohol and Drugs. The possession or use of alcoholic beverages, other illegal drugs or intoxicants of any kind is prohibited on campus.~~
- ~~(6) Pets. Only fish tanks no larger than 10 gallons are allowed. Otherwise, no animals are permitted.~~
- ~~(7) Weapons or Explosives, Fireworks. The possession of firearms, hunting knives, fireworks or other type of weapons and explosives is not allowed in the residence halls or on the University property.~~
- ~~(8) Keys. Misuse or loss of them may jeopardize the safety of others and constitutes grounds for disciplinary action. There is a charge for lost keys and other security measures that must be taken due to the loss of such keys.~~
- ~~(9) Quiet Hours. If a student consistently violates Quiet Hours, he/she will be subject to disciplinary action.~~

Authority: TCA § 49-9-209(e) Administrative History: Original rule filed May 27, 1986; effective August 12, 1986. Amendment filed August 31, 1995; effective December 30, 1995. Amendment filed June 19, 2006; effective October 27, 2006.

The University of Tennessee at Chattanooga
 Chapter 1720-02-02
 Student Housing Regulations

Repeal

Chapter 1720-02-02 Student Housing Regulations is repealed in its entirety.

Authority: T.C.A. § 49-9-209(e) and Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5, and Public Acts of Tennessee, 1807, Chapter 64.

*If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Governor Bill Haslam				X	
Commissioner Candace McQueen				X	
Commissioner Jai Templeton	X				
Dr. Joe DiPietro	X				
Dr. Russ Deaton (non-voting)					
Charles C. Anderson, Jr.				X	
Shannon Brown	X				
George E. Cates	X				
Dr. Susan C. Davidson (non-voting)					
Spruell Driver, Jr.				X	
Dr. William E. Evans	X				
John N. Foy	X				
Crawford Gallimore	X				
Vicky B. Gregg				X	
Raja J. Jubran	X				
Brad A. Lampley	X				
James L. Murphy, III	X				
Sharon J. Miller Pryse	X				
Dr. Jefferson S. Rogers	X				
Rhedona Rose	X				
Miranda N. Rutan	X				
John Tickle	X				
Julia T. Wells	X				
Charles E. Wharton	X				
Tommy G. Whittaker	X				

University of Tennessee Rules
Chapter 1720-02-02 Student Housing

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the University of Tennessee Board of Trustees on 06/23/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.

Date: 07/01/2016

Signature: _____

Name of Officer: Matthew Scoggins

Title of Officer: Deputy General Counsel

Subscribed and sworn to before me on: 7-1-16

Notary Public Signature: _____

My commission expires on: 12-4-18



All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slatery III
Herbert H. Slatery III
Attorney General and Reporter
8/17/2016
Date

Department of State Use Only

Filed with the Department of State on: _____

9/16/16

Effective on: _____

8/1/17

Tre Hargett

Tre Hargett
Secretary of State

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PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

DEPARTMENT: University of Tennessee

DIVISION:

SUBJECT: Student Housing Regulations; Housing/Food Services General, Open House and Visitation Procedures, Termination of Housing Contract

STATUTORY AUTHORITY: Tennessee Code Annotated, Section 49-9-209

EFFECTIVE DATES: August 1, 2017 through June 30, 2018

FISCAL IMPACT: Minimal

STAFF RULE ABSTRACT: Student affairs and housing officials in the University of Tennessee System (UT) have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

University of Tennessee Rules
Chapter 1720-04-04 Student Housing Regulations

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

The Regulatory Flexibility Addendum is not applicable.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The University of Tennessee anticipates that this rule change will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Student affairs and housing officials in The University of Tennessee System have worked together to develop a rule on student housing. The rule provides a uniform framework within which each UT campus will manage student housing, including development of policies, procedures, and agreements that apply to the lease, assignment, occupancy, pricing, safety, construction, maintenance, use, and visitation of student housing. The new rule will replace the current UT campus rules on student housing, which are being repealed in conjunction with the promulgation of the new rule.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

None.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Students of the University of Tennessee are most directly affected by this rule. The student member of the UT Board of Trustees voted to approve the rule.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

Not significant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

University of Tennessee Rules
Chapter 1720-04-04 Student Housing Regulations

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Matthew Scoggins
Deputy General Counsel
University of Tennessee
719 Andy Holt Tower
Knoxville, TN 37996-0170
scoggins@tennessee.edu
865-974-3245

(I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.

Department of State
Division of Publications
 312 Rosa L. Parks Avenue, 8th Floor Snodgrass/TN Tower
 Nashville, TN 37243
 Phone: 615-741-2650
 Fax: 615-741-5133
 Email: register.information@tn.gov

For Department of State Use Only

Sequence Number: 09-23-16
 Rule ID(s): 6308
 File Date: 9/16/16
 Effective Date: 8/1/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Agency/Board/Commission:	University of Tennessee
Division:	
Contact Person:	Matthew Scoggins, Deputy General Counsel
Address:	719 Andy Holt Tower, 1331 Circle Park, Knoxville, TN
Zip:	37996-0170
Phone:	865-974-3245
Email:	scoggins@tennessee.edu

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1720-04-04	Student Housing Regulations
Rule Number	Rule Title
1720-04-04-.01	Housing/Food Services General
1720-04-04-.02	Differentiated Housing
1720-04-04-.03	Open House and Visitation Procedures
1720-04-04-.04	Residence Hall Regulations
1720-04-04-.05	Residence Hall Safety Regulations
1720-04-04-.06	Termination of Housing Contract

**RULES
OF
THE UNIVERSITY OF TENNESSEE, KNOXVILLE**

**CHAPTER 1720-4-4
STUDENT HOUSING REGULATIONS**

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1720-4-4-.01	Housing/Food Services-General	1720-4-4-.04	Residence Hall Regulations
1720-4-4-.02	Differentiated Housing	1720-4-4-.05	Residence Hall Safety Regulations
1720-4-4-.03	Open House and Visitation Procedures	1720-4-4-.06	Termination of Housing Contract

1720-4-4-.01 HOUSING/FOOD SERVICES-GENERAL.

- (1) ~~Freshman Students: All single freshmen students, who do not commute from the home of their parent or legal guardian, are required to live in University Residence Halls.~~

~~*Authority:* T.C.A. §49-9-209(e). *Administrative History:* New rule filed May 27, 1986; effective August 12, 1986. (For history prior to August 12, 1986 see pages (iii) (i).) Amendment filed March 22, 1990; effective June 26, 1990. Amendment filed August 31, 1995; effective December 30, 1995. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed October 30, 2007; effective February 28, 2008.~~

1720-4-4-.02 DIFFERENTIATED HOUSING.

- (1) ~~The University maintains a differentiated housing concept begun Fall Quarter, 1971. Differentiated housing permits the student to select the type of facility in which he or she will live, within the University's capability to offer such living arrangements. Students are encouraged to give considerable thought and attention to their housing selection.~~

~~*Authority:* T.C.A. §49-9-209(e). *Administrative History:* New rule filed May 27, 1986; effective August 12, 1986. (For history prior to August 12, 1986 see pages (iii) (i).) Amendment filed March 22, 1990; effective June 26, 1990. Amendment filed August 31, 1995; effective December 30, 1995. Repeal and new rule filed October 30, 2007; effective February 28, 2008.~~

1720-4-4-.03 OPEN HOUSE AND VISITATION PROCEDURES.

- (1) ~~Hours of authorized visitation periods will be posted in the lobby of each residence hall.~~
- (2) ~~All guests of floor members participating in open houses/visitation periods must be escorted by an eligible host (a member of the participating floor) at all times in non-public (living) areas (i.e., rooms, floor corridors, floor study lounges, elevators and stairwells, etc. Resident Assistants are able to define these specifically for the hall). Guests of the opposite sex must stay on floors participating in open houses/visitation periods.~~
- (3) ~~Guests of the opposite sex must use the restroom provided in the hall main lobby area.~~
- (4) ~~Any resident who violates the policy shall be subject to disciplinary action and be asked to:~~
- (a) ~~Leave, if he or she is not a member of the floor.~~
- (b) ~~Escort his or her guest out and not participate in the remainder of the open house/visitation period if he or she is a resident of the floor.~~

(Rule 1720-4-4-.03, continued)

1. In the event of a floor violation, the Hall Director or Assistant Hall Director on duty may terminate the open house/visitation period at his/her discretion.
2. Hosts and their guests are responsible for the particulars of this policy and will be personally charged when violations occur. Hosts are responsible for the conduct of their guests and may be personally charged for a guests's violations.

Authority: ~~T.C.A. §49-9-209(e). **Administrative History:** New rule filed May 27, 1986; effective August 12, 1986. (For history prior to August 12, 1986 see pages (iii) (i).) Amendment filed August 31, 1995; effective December 30, 1995. Repeal and new rule filed October 30, 2007; effective February 28, 2008.~~

1720-4-4-.04 RESIDENCE HALL REGULATIONS.

- (1) ~~Soliciting:~~ For the residents' protection against fraudulent sales and annoyance, soliciting is not permitted in the halls. ~~Permission for any soliciting must be obtained through the Dean of Students.~~
- (2) ~~Windows and Screens:~~ Window screens may not be unfastened or removed.
- (3) ~~Business from Resident's Rooms:~~ Residents are not permitted to carry on any organized business for remunerative purposes from their apartments or rooms; inscribe or affix any sign, object, advertisement, or notice on any part of the inside or outside of the building or premises; or use their room phone numbers for business purposes.
- (4) ~~Pets:~~ Pets are not permitted in the halls or on the premises. ~~The only exceptions to this policy are fish, guide dogs accompanying sight impaired persons or guide dogs in training.~~
- (5) ~~Attachments:~~ Residents should not modify the room without prior, written approval of the Hall Director.
- (6) ~~Furniture and Fixtures:~~ All University property is inventoried according to location and is not to be moved or dismantled except with written permission of the Hall Director.
- (7) ~~Water furniture:~~ Water furniture, including beds and chairs, are not permitted in residents' rooms.
- (8) ~~Keys:~~ Residence hall keys are the sole property of The University of Tennessee and may not be duplicated under any circumstances.
- (9) ~~Unauthorized Moving:~~ Unauthorized room and hall changes are prohibited.

Authority: ~~T.C.A. §49-9-209(e). **Administrative History:** New rule filed May 27, 1986; effective August 12, 1986. (For history prior to August 12, 1986 see pages (iii) (i).) Amendment filed March 22, 1990; effective June 26, 1990. Amendment filed August 31, 1995; effective December 30, 1995. Repeal and new rule filed October 30, 2007; effective February 28, 2008.~~

1720-4-4-.05 RESIDENCE HALL SAFETY REGULATIONS.

- (1) ~~Flammable Items:~~ Items which are flammable, such as fuel, etc., may not be stored in residents' rooms.
- (2) ~~Open Flames:~~ Items which require an open flame to operate or which produce heat are not allowed in residents' rooms.

(Rule 1720-4-4-.05, continued)

- (3) ~~Decorations: Decorative items which are flammable are not permitted in residents' rooms, unless they have been fireproofed. Only Underwriters' Laboratory (UL) approved lights may be used to decorate a room.~~
- (4) ~~Cooking: Hall kitchens and other facilities are provided for residents to use for cooking. Cooking meals is not permitted in student rooms except in the apartment style residence halls. Snack preparation is limited to the use of approved cooking appliances.~~
- (5) ~~Cooking Appliances: Underwriters' Laboratories (UL) approved, closed coil or hot air popcorn poppers, sealed unit coffee makers, and thermostatically controlled hot pots may be kept in student rooms. A student may use a microwave in the Apartment Residence Hall provided the microwave is UL approved and does not exceed 600 watts and provided that student must have prior roommate approval; only one microwave is permitted per room. Other appliances, including slow cookers, electric frying pans, and open coil appliances (including, but not limited to, toasters, toaster ovens, and hot plates) are prohibited except in the apartment style residence halls where kitchens are equipped with fire extinguishers.~~
- (6) ~~Fire Safety: Fire evacuation plans are posted in each resident's room. Tampering with, vandalizing, or misuse of fire safety equipment is prohibited and constitutes reason for eviction from the residence hall and possible suspension or expulsion from the University. Fire safety equipment includes, but is not limited to, alarms, extinguishers, smoke detectors, door closures, alarmed doors, and sprinklers. A Safety Exit Drill will be conducted regularly in each residence hall in accordance with state law.~~
- ~~Failure to evacuate a building during such a Safety Exit Drill will be grounds for disciplinary action.~~
- (7) ~~Elevators: Tampering with, vandalism to, or other misuse of elevator equipment in the University residence halls is prohibited. Such action will constitute reason for disciplinary action, including eviction from the residence hall.~~
- (8) ~~Extension Cords and Multiple Plugs: An extension cord must be UL approved, 16 gauge, a polarized plug and a single outlet; it may not be placed under floor covering or furnishings and may not be secured by penetrating the insulation. Multiple outlets are prohibited; however, one UL approved 15 amp multiple outlet strip with a circuit breaker may be used in each room.~~
- (9) ~~Refrigerators: Refrigerators are prohibited in the residence halls except those provided by the Department of University Housing.~~

~~**Authority:** T.C.A. §49-9-209(e). **Administrative History:** New rule filed May 27, 1986; effective August 12, 1986. (For history prior to August 12, 1986 see pages (iii) (i).) Amendment filed March 22, 1990; effective June 26, 1990. Amendment filed August 31, 1995; effective December 30, 1995. Repeal and new rule filed October 30, 2007; effective February 28, 2008.~~

~~1720-4-4-.06 TERMINATION OF HOUSING CONTRACT.~~

- (1) ~~The University may cancel a student's housing contract if the student fails to meet the full terms and conditions of his/her contract, or for violation of University or Residence Hall regulations.~~
- (2) ~~Hearings and/or appeals of disciplinary action are available through established University administrative and judicial procedures.~~

~~**Authority:** T.C.A. §49-9-209(e). **Administrative History:** New rule filed May 27, 1986; effective August 12, 1986. (For history prior to August 12, 1986 see pages (iii) (i).) Amendment filed October 18, 1989;~~

STUDENT HOUSING REGULATIONS

CHAPTER 1720-4-4

(Rule 1720-4-4.06, continued)

effective January 29, 1990. Amendment filed March 22, 1990; effective June 26, 1990. Amendment filed August 31, 1995; effective December 30, 1995. Amendment filed January 13, 1999; effective May 31, 1999. Repeal and new rule filed October 30, 2007; effective February 28, 2008.

University of Tennessee Rules
 Chapter 1720-04-04 Student Housing Regulations

The University of Tennessee, Knoxville
 Chapter 1720-04-04
 Student Housing Regulations

Repeal

Chapter 1720-04-04 Student Housing Regulations is repealed in its entirety.

Authority: T.C.A. § 49-9-209(e) and Public Acts of Tennessee, 1839-1840, Chapter 98, Section 5, and Public Acts of Tennessee, 1807, Chapter 64.

*If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Governor Bill Haslam				X	
Commissioner Candace McQueen				X	
Commissioner Jai Templeton	X				
Dr. Joe DiPietro	X				
Dr. Russ Deaton (non-voting)					
Charles C. Anderson, Jr.				X	
Shannon Brown	X				
George E. Cates	X				
Dr. Susan C. Davidson (non-voting)					
Spruell Driver, Jr.				X	
Dr. William E. Evans	X				
John N. Foy	X				
Crawford Gallimore	X				
Vicky B. Gregg				X	
Raja J. Jubran	X				
Brad A. Lampley	X				
James L. Murphy, III	X				
Sharon J. Miller Pryse	X				
Dr. Jefferson S. Rogers	X				
Rhedona Rose	X				
Miranda N. Rutan	X				
John Tickle	X				
Julia T. Wells	X				
Charles E. Wharton	X				
Tommy G. Whittaker	X				

University of Tennessee Rules
Chapter 1720-04-04 Student Housing Regulations

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the University of Tennessee Board of Trustees on 06/23/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.

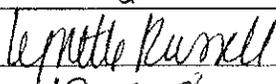
Date: 07/01/2016

Signature: 

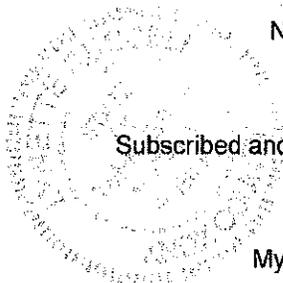
Name of Officer: Matthew Scoggins

Title of Officer: Deputy General Counsel

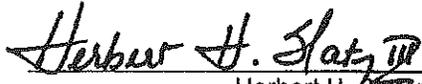
Subscribed and sworn to before me on: 7-1-16

Notary Public Signature: 

My commission expires on: 12-4-18



All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.


Herbert H. Staley III
Attorney General and Reporter
7/27/2016
Date

Department of State Use Only

Filed with the Department of State on: 9/16/16

Effective on: 8/1/17


Tre Hargett
Secretary of State

RECEIVED

2016 SEP 16 AM 11:16

SECRETARY OF STATE
PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

- AGENCY: University of Tennessee Board of Trustees
- SUBJECT: Classifying Students In-State and Out-of-State
- STATUTORY AUTHORITY: Tenn. Code Ann., Section 49-7-1304
- EFFECTIVE DATES: March 28, 2017, through June 30, 2017
- FISCAL IMPACT: Not significant, according to the Board.
- STAFF RULE ABSTRACT: The proposed rule makes the following changes in order to reflect the requirements of Chapter 219 of the Public Acts of 2015:
1. The in-state tuition benefit for veterans is extended to any individual entitled to a veteran's educational benefits;
 2. The time within which a veteran or individual must enroll in order to qualify for the benefit is extended from "within 24 months" to "within three years" from the date of discharge; and
 3. The continuing eligibility requirement of demonstrating evidence of residency in Tennessee is revised so that registering to vote in Tennessee may not solely demonstrate evidence of residency and a veteran or individual who submits voter registration must also submit other documentation of residency in order continue to qualify for in-state tuition after three years from the date of discharge.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

The Regulatory Flexibility Addendum is not applicable.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The University of Tennessee anticipates that this rule change will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

In response to recent state legislation, Public Chapter 219 (2015), the University's rule on classifying students as state or out-of-state must be amended as follows:

- Remove the language, "has not been dishonorably discharged from the U.S. Armed Forces or the national guard;"
- Add the language, "any individual entitled to the veteran's educational benefits," to the types of persons eligible for the waiver of out-of-state tuition and fees;
- Increase the time for a veteran to enroll and qualify for in-state tuition from two (2) years to three (3);
- Change the grace period for a veteran to demonstrate objective evidence of residency to three (3) years from the date of discharge (previously, the veteran had one (1) year from the date of enrollment); and
- Remove voter registration as a single method of demonstrating residency.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

None.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Students of the University of Tennessee are most directly affected by this rule. The student member of the UT Board of Trustees voted to approve the rule.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

Not significant.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Matthew Scoggins
Deputy General Counsel
University of Tennessee

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Matthew Scoggins
Deputy General Counsel
University of Tennessee
719 Andy Holt Tower
Knoxville, TN 37996-0170
scoggins@tennessee.edu
865-974-3245

- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.

**Department of State
Division of Publications**

312 Rosa L. Parks Avenue, 8th Floor Snodgrass/TN Tower
Nashville, TN 37243
Phone: 615-741-2650
Fax: 615-741-5133
Email: register.information@tn.gov

For Department of State Use Only

Sequence Number: 12-15-16
Rule ID(s): 6386
File Date: 12/28/16
Effective Date: 3/28/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to T.C.A. §§ 4-5-202, 4-5-207 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within sixty (60) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by twenty-five (25) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Agency/Board/Commission:	University of Tennessee
Division:	
Contact Person:	Matthew Scoggins, Deputy General Counsel
Address:	719 Andy Holt Tower, 1331 Circle Park, Knoxville, TN
Zip:	37996-0170
Phone:	865-974-3245
Email:	scoggins@tennessee.edu

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1720-01-01	Classifying Students In-State And Out-of-State
Rule Number	Rule Title
1720-01-01-.04	Out-of-State Students Who Are Not Required To Pay Out-of-State Tuition

**RULES OF
THE UNIVERSITY OF TENNESSEE (ALL CAMPUSES)**

**CHAPTER 1720-01-01
CLASSIFYING STUDENTS
IN-STATE AND OUT-OF-STATE
TABLE OF CONTENTS**

1720-01-01-.01	Intent	1720-01-01-.05	Presumption
1720-01-01-.02	Definitions	1720-01-01-.06	Evidence to Considered for Establishment of Domicile
1720-01-01-.03	Rules for Determination of Status	1720-01-01-.07	Appeal
1720-01-01-.04	Out-of-state Students Who Are Not Required	1720-01-01-.08	Effective Date for Reclassification for Pay Out-of-State Tuition

1720-01-01-.01 INTENT.

- (1) It is the intent that the public institutions of higher education in the State of Tennessee shall apply uniform rules, as described in these regulations and not otherwise, in determining whether students shall be classified "in-state" or "out-of-state" for fees and tuition purposes and for admission purposes.

1720-01-01-.02 DEFINITIONS. Wherever used in these regulations.

- (1) "Public higher education institution" shall mean a university or community college supported by appropriations made by the Legislature of this State.
- (2) "Residence" shall mean continuous physical presence and maintenance of a dwelling place within this State, provided that absence from the State for short periods of time shall not affect the establishment of a residence.
- (3) "Domicile" shall mean a person's true, fixed, and permanent home and place of habitation; it is the place where he or she intends to remain, and to which he or she expects to return when he or she leaves without intending to establish or having established a new domicile elsewhere. Undocumented aliens cannot establish domicile in Tennessee, regardless of length of residence in Tennessee.
- (4) "Emancipated person" shall mean a person who has attained the age of eighteen (18) years and whose parents have entirely surrendered the right to the care, custody, and earnings of such person and are no longer under any legal obligation to support or maintain such person.
- (5) "Parent" shall mean a person's father or mother. If there is a non-parental guardian or legal custodian of an unemancipated person, then "parent" shall mean such guardian or legal custodian; provided, that there are not circumstances indicating that such guardianship or custodianship was created primarily for the purpose of conferring the status of an in-state student on such emancipated person.
- (6) "Continuous enrollment" or "continuously enrolled" shall mean enrollment at a public higher educational institution or institutions of this State as a full-time student, as such term is defined by the governing body of said public higher education institution or institutions, for a normal academic year or years or the appropriate portion or portions thereof since the beginning of the period for which continuous enrollment is claimed. Such person need not enroll in summer sessions or other such inter-sessions beyond the normal academic year in order that his or her enrollment be deemed continuous. Enrollment shall be deemed continuous notwithstanding lapses in enrollment occasioned solely by the scheduling of the commencement and/or termination of the academic years, or appropriate portion thereof, of the public higher educational institutions in which such person enrolls.
- (7) "U.S. Armed Forces" shall mean the U.S. Army, Navy, Air Force, Marine Corps, and Coast Guard.

- (8) "Veteran" means:
- (a) a former member of the U.S. Armed Forces; or
 - (b) a former or current member of a reserve or Tennessee national guard unit who was called into active military service of the United States, as defined in Tennessee Code Annotated § 58-1-102.

1720-01-01-.03 RULES FOR DETERMINATION OF STATUS.

- (1) Every person having his or her domicile in this State shall be classified "in-state" for fee and tuition purposes and for admission purposes.
- (2) Every person not having his or her domicile in this State shall be classified "out-of-state" for fee and tuition purposes and for admission purposes.
- (3) The domicile of an unemancipated person is that of his or her parent, except as provided in paragraph (4) of this Section .03. Unemancipated students of divorced parents shall be classified "in-state" when one (1) parent, regardless of custodial status, is domiciled in Tennessee, except as provided in paragraph (4) of this Section .03.
- (4) A student shall be classified as "in-state" for fee and tuition purposes if the student is a citizen of the United States, has resided in Tennessee for at least one (1) year immediately prior to admission, and has:
 - (a) Graduated from a Tennessee public secondary school;
 - (b) Graduated from a private secondary school that is located in Tennessee; or
 - (c) Earned a Tennessee high school equivalency diploma.
- (5) The spouse of a student classified as "in-state" shall also be classified "in-state."
- (6) All classifications shall be subject to the Eligibility Verification for Entitlements Act, Tennessee Code Annotated § 4-58-101 *et seq.*

1720-01-01-.04 OUT-OF-STATE STUDENTS WHO ARE NOT REQUIRED TO PAY OUT-OF-STATE TUITION.

- (1) An unemancipated, currently enrolled student shall be reclassified out-of-state should his or her parent, having theretofore been domiciled in the State, remove from the State. However, such student shall not be required to pay out-of-state tuition nor be treated as an out-of-state student for admission purposes so long as his or her enrollment at a public higher educational institution or institutions shall be continuous.
- (2) An unemancipated person whose parent is not domiciled in this State but is a member of the armed forces and stationed at Fort Campbell pursuant to military orders shall be classified out-of-state, but shall not be required to pay out-of-state tuition. Such a person, while in continuous attendance toward the degree for which he or she is currently enrolled, shall not be required to pay out-of-state tuition if his or her parent thereafter is transferred on military orders.
- (3) Part-time students who are not domiciled in this State but who are employed full-time in the State shall be classified out-of-state but shall not be required to pay out-of-state tuition. This shall apply to part-time students who are employed in the State by more than one employer, resulting in the equivalent of full-time employment.

- (4) A member of the U.S. Armed Forces on active duty for more than thirty (30) days and who has a permanent duty station in the State of Tennessee (or the spouse or dependent child of such a member) who should be classified out-of-state in accordance with other provisions of these regulations will be classified out-of-state but shall not be required to pay out-of-state tuition. This provision shall continue to apply to such a member, spouse, or dependent child while continuously enrolled at that public higher education institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside the State.
- (5) A person who is domiciled in the Kentucky counties of Fulton, Hickman, or Graves shall be classified out-of-state and shall not be required to pay out-of-state tuition at The University of Tennessee at Martin if qualified for admission. This exemption is on condition that Murray State University in Murray, Kentucky, continues to admit Tennessee residents from selected Tennessee counties to enroll at that institution without payment of out-of-state tuition.
- (6) Any dependent child not domiciled in Tennessee but who qualifies and is selected to receive a scholarship under the "Dependent Children Scholarship Act" (T.C.A. § 49-4-704) because his or her parent is a law enforcement officer, fireman, or emergency medical service technician who was killed or totally and permanently disabled while performing duties within the scope of employment, shall be classified out-of-state but shall not be required to pay out-of-state tuition.
- (7) A veteran, or any individual entitled to the veteran's educational benefits, enrolled in any public institution of higher education in this State shall not be required to pay out-of-state tuition or any out-of-state fee, if the veteran or the eligible individual:
- (a) ~~Has not been dishonorably discharged from a branch of the U.S. Armed Forces or the national guard;~~
 - ~~(b)(a)~~ Is eligible for Post-9/11 GI Bill benefits or Montgomery GI Bill benefits; and
 - ~~(e)(b)~~ Enrolls in a public institution of higher education, after satisfying all admission requirements, within three (3) years ~~twenty-four (24) months~~ after the date of discharge as reflected on the veteran's certificate of release or discharge from active duty, Form DD-214, or an equivalent document.

To continue to qualify for in-state tuition and fees after three (3) years have passed from the date of discharge as reflected on the veteran's certificate of release or discharge from active duty, Form DD-214, or an equivalent document, under this subsection, a veteran or eligible individual shall:

- (a) Maintain continuous enrollment (as defined by the public institution of higher education in which the veteran is enrolled); and
- (b) Demonstrate objective evidence of established residency in this State by presenting at least two (2) of the following:
 1. Proof of voter registration in this State;
 2. A Tennessee driver license;
 3. A Tennessee motor vehicle registration;
 4. Proof of established employment in this State; or
 5. Other documentation clearly evidencing domicile or residence in the state, as determined by THEC.

~~(e) Within one (1) year of enrolling in the public institution of higher education:~~

~~(1) Register to vote in the State of Tennessee; or~~

~~(2) Demonstrate by objective evidence intent to be a resident of the State of Tennessee by obtaining at least two (2) of the following:~~

~~(i) A Tennessee driver's license;~~

~~(ii) A Tennessee motor vehicle registration;~~

~~(ii) Proof of established employment in the State of Tennessee; or~~

~~(ii) Other documentation clearly evidencing domicile or residence in this State, as determined by the Tennessee Higher Education Commission.~~

- (8) Students not domiciled in Tennessee but who are selected to participate in institutional undergraduate honors programs specified by the public higher education institution in which the student is enrolled shall be classified out-of-state but shall not be required to pay out-of-state tuition.
- (9) A "covered individual" under the federal Veterans Access, Choice, and Accountability Act of 2014, Public Law 113-146, who maintains continuous enrollment at the same public institution of higher education.

1720-01-01-.05 PRESUMPTION. Unless the contrary appears from clear and convincing evidence, it shall be presumed that an emancipated person does not acquire domicile in this State while enrolled as a full-time or part-time student at any public or private higher educational institution in this State, as such status is defined by such institution.

1720-01-01-.06 EVIDENCE TO BE CONSIDERED FOR ESTABLISHMENT OF DOMICILE. If a person asserts that he or she has established domicile in this State he or she has the burden of proving that he or she has done so. Such a person is entitled to provide to the public higher educational institution by which he seeks to be classified or reclassified in-state, any and all evidence which he or she believes will sustain his or her burden of proof. Said institution will consider any and all evidence provided to it concerning such claim of domicile but will not treat any particular type or item of such evidence as conclusive evidence that domicile has or has not been established.

1720-01-01-.07 APPEAL. The classification officer of each public higher educational institution shall be responsible for initially classifying students "in-state" or "out-of-state." Appropriate procedures shall be established by each such institution by which a student may appeal his or her initial classification.

1720-01-01-.08 EFFECTIVE DATE FOR RECLASSIFICATION. If a student classified out-of-state applies for in-state classification and is subsequently so classified his or her in-state classification shall be effective as of the date on which reclassification was sought. However, out-of-state tuition will be charged for any semester during which reclassification is sought and obtained unless application for reclassification is made to the classification officer on or before the last day of regular registration of that semester.

1720-01-01-.09 REPEALED.

University of Tennessee Rules

Chapter 1720-01-01-.04 Out-of-State Students Who Are Not Required To Pay Out-of-State Tuition

* If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Governor Bill Haslam				x	
Commissioner Julius Johnson	X				
Commissioner Candice McQueen				x	
Dr. Joe DiPietro	X				
Dr. Russ Deaton (non-voting)					
Charles C. Anderson, Jr.				X	
Jalen Blue	X				
Shannon Brown	X				
George E. Cates				X	
Spruell Driver, Jr.	X				
Dr. William E. Evans	X				
John N. Foy	X				
Crawford Gallimore	X				
Dr. David Golden	X				
Vicky B. Gregg				X	
Raja J. Jubran	X				
Brad A. Lampley	X				
James L. Murphy, III	X				
Sharon J. Miller Pryse	X				
Dr. Jefferson S. Rogers (non-voting)					
Miranda N. Rutan (non-voting)					
Rhedona Rose	X				
John Tickle	X				
Julia T. Wells	X				
Charles E. Wharton	X				
Tommy G. Whittaker	X				

University of Tennessee Rules

Chapter 1720-01-01-.04 Out-of-State Students Who Are Not Required To Pay Out-of-State Tuition

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the University of Tennessee Board of Trustees on 04/01/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the first day of the month subsequent to the filing of the proposed rule with the Secretary of State.

Date: 11/28/2016

Signature: *[Handwritten Signature]*

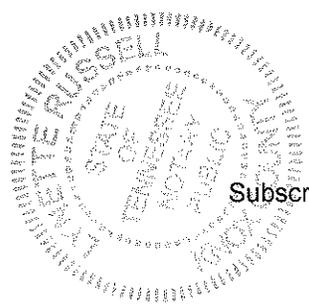
Name of Officer: Matthew Scoggins

Title of Officer: Deputy General Counsel

Subscribed and sworn to before me on: 11-28-16

Notary Public Signature: *[Handwritten Signature]*

My commission expires on: 12-4-18



All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

[Handwritten Signature]
Herbert H. Slatery III
Attorney General and Reporter
12/15/2016
Date

Department of State Use Only

Filed with the Department of State on: 12/28/16

Effective on: 3/28/17

[Handwritten Signature]
Tre Hargett
Secretary of State

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SECRETARY OF STATE
PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

- AGENCY: Department of Human Services, Family Assistance Division
- SUBJECT: Families First Work Requirements; Child Care Families First Program
- STATUTORY AUTHORITY: 42 U.S. Code Section 9858c(c)(2)(N)(i)-(iii)
- EFFECTIVE DATES: March 8, 2017, through June 30, 2017
- FISCAL IMPACT: According to the Department, the Department intends to fund the federal directive that necessitated this rule by reallocating resources within the existing TANF grant monies to account for the implementation costs. The Department has concluded that the costs associated with implementation of these requirements can be handled with existing TANF dollars. The Department has determined that implementation of rule will come at no additional cost since existing resources are sufficient to administer it.
- STAFF RULE ABSTRACT: The Department reports that The Child Care and Development Block Grant Act of 2014 prohibits states from terminating Child Care Development Fund assistance prior to the end of the 12-month eligibility period due to a temporary change in the parent's work, training and education status. If a parent experiences a non-temporary loss of job, education or training that affects eligibility, states may terminate assistance prior to re-determination at 12 months. However, prior to terminating the subsidy, the state must provide a period of continued assistance of at least 3 months to allow parents to engage in job search, resume work, or to attend an education or training program as soon as possible.

The rulemaking hearing rule specifies that the Department will provide at least 3 months of transitional child care to a Families First/TANF or Assistance Unit (AU) whose case is closed due to noncompliance with work and/or educational requirements. The rule also specifies that diversion grant recipient may be eligible for up to 12 months, rather than 3 months, of subsidized child care while working at least 30 hours per

week. Finally, the rule removes failure to pay parent co-pay fees and noncompliance with work activity requirements from the list of events that will disqualify an AU from transitional child care benefits.

Public Hearing Comments

One copy of a document containing responses to comments made at the public hearing must accompany the filing pursuant to T.C.A. § 4-5-222. Agencies shall include only their responses to public hearing comments, which can be summarized. No letters of inquiry from parties questioning the rule will be accepted. When no comments are received at the public hearing, the agency need only draft a memorandum stating such and include it with the Rulemaking Hearing Rule filing. Minutes of the meeting will not be accepted. Transcripts are not acceptable.

No one from the public attended the public hearings concerning the above rules. There were no comments received on the rules either orally or in writing.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process, all agencies shall conduct a review of whether a proposed rule or rule affects small business.

For purposes of Acts 2007, Chapter 464, the Regulatory Flexibility Act, the Department of Human Services certifies that these rulemaking hearing rules do not appear to affect small businesses as defined in the Act. These rules do not regulate or attempt to regulate businesses.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

These rules will have no projected financial impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The Child Care and Development Block Grant Act of 2014 prohibits States from terminating Child Care Development Fund assistance prior to the end of the 12-month eligibility period due to a temporary change in the parent's work, training and education status. If a parent experiences a non-temporary loss of job, education or training that affects eligibility, States have the option to terminate assistance prior to re-determination at 12 months. However, prior to terminating the subsidy, the State must provide a period of continued assistance of at least 3 months to allow parents to engage in job search, resume work, or to attend an education or training program as soon as possible.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

The Child Care and Development Block Grant Act of 2014, 42 U.S. Code § 9858c(c)(2)(N)(i-iii)

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

This rule will impact children and parents in low-income families to have continued access to child care assistance.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

There are no judicial rulings of Attorney General Opinions that related directly to these rule amendments.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

The Department intends to fund this directive by reallocating resources within the existing TANF grant monies to account for the implementation costs. The Department has concluded that the costs associated with implementation of these requirements can be handled with existing TANF dollars. We have determined that implementation of the legislation will come at no additional cost since existing resources are sufficient to administer it.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Keisha Malone, Director of Operations, Family Assistance and Child Support Division
Tracy Bell, Chief Officer, Workforce Development and Transformation

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Keisha Malone, Director of Operations, Family Assistance and Child Support Division
Tracy Bell, Chief Officer, Workforce Development and Transformation

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Keisha Malone, Director of Operations, Family Assistance and Child Support Division
Citizens Plaza Bldg. 8th Floor

400 Deaderick Street
Nashville, TN 37243
615-313-5292
Keisha.Malone@tn.gov

Tracy Bell, Chief Officer, Workforce Development and Transformation
Citizens Plaza Bldg. 15th Floor
400 Deaderick Street
Nashville, TN 37243
615-313-6690
Tracy.Bell@tn.gov

(I) Any additional information relevant to the rule proposed for continuation that the committee requests.

N/A

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Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing (Tenn. Code Ann. § 4-5-205).

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission:	Tennessee Department of Human Services
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Revision Type (check all that apply):

- Amendment
- New
- Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that ALL new rule and repealed rule numbers are listed in the chart below. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
1240-01-49	Families First Work Requirements
Rule Number	Rule Title
1240-01-49-.04	Failure to Comply, Conciliation, Good Cause, and Sanctions
1240-01-49-.09	Diversion Program and Eligibility Requirements

Chapter Number	Chapter Title
1240-01-54	Child Care Families First Program
Rule Number	Rule Title
1240-01-54-.02	Transitional Child Care Coverage

Redline

**RULES
OF
TENNESSEE DEPARTMENT OF HUMAN SERVICES
FAMILY ASSISTANCE DIVISION**

**CHAPTER 1240-01-49
FAMILIES FIRST WORK REQUIREMENTS**

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1240-01-49-.01 FAMILIES FIRST WORK REQUIREMENTS.

- (1) The Department of Human Services administers the Families First Program directly and through contractual arrangements with other entities to provide or arrange for employment, training, education, and support services for Families First recipients. All Families First adult recipients in the AG must participate in the Families First work requirements unless they are exempt from this requirement.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-1-105, 71-3-152, 71-3-153 and 71-3-154; 71-3-158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c), (d) and (e), 42 U.S.C. § 608 and 42 U.S.C. § 609; Public Acts of 1996, Chapter 950, and 45 CFR 250., 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2, 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31, and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31. **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Public Necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007.

1240-01-49-.02 EXEMPTION DETERMINATION.

- (1) The following individuals are exempt, except as otherwise provided in this Chapter, from participation in the Families First/TANF work and/or educational requirements:
 - (a) An individual who is disabled. An individual is disabled if the individual:
 1. Has been approved for Social Security Disability (Title II) or Supplemental Security Income on the basis of his/her disability;
 2. Receives Veterans benefits on the basis of his/her one hundred percent (100%) disability; or
 3. Receives Black Lung benefits based on his/her disability;
 - (b) An individual who is determined to be incapacitated for the purpose of participating in a work and/or educational activities requirement. The incapacity determination shall be made according to paragraph (2);
 - (c) An individual for whom an incapacity determination, under paragraph (2), is pending;
 - (d) An individual who is age sixty-five (65) or older;

(Rule 1240-01-49-.02, continued)

- (e) An individual who is needed in the home to care for an in-home relative who is disabled as determined by a physician or a licensed or certified psychologist, and no other appropriate member of the household is available to provide the needed care;
 - (f) An individual who is the caretaker, in a single-parent household, of a child under one (1) year of age; provided, however, the Department may reduce the exemption to sixteen (16) weeks for persons who were exempt but chose to volunteer to fulfill the work and/or educational requirements;
 - (g) An individual who is one (1) of two (2) parents in a two-parent household caring for a child under age sixteen (16) weeks; and
 - (h) A non-parental caretaker who chooses not to be included in the assistance group.
- (2) Evaluation of Disabled Individuals and Individuals Alleging Incapacity for Participation in Work and/or Educational Activities.
- (a) The Department shall refer a Families First/TANF applicant/recipient, who alleges incapacity, to the Department's Medical Evaluation Unit (MEU) when:
 - 1. The Families First/TANF recipient alleges incapacity to work that is expected to last for a period of at least (30) days; or
 - 2. An incapacity evaluation is necessary to determine deprivation of parental support. MEU shall determine whether incapacity exists that would deprive a child of parental support.
 - (b) For purposes of the MEU determination, incapacity is deemed to exist when the defect, illness, or impairment is:
 - 1. Supported by competent medical evidence; and
 - 2. Expected to last for a period of at least thirty (30) days.
 - (c) Review of MEU Incapacity Status. For incapacity determinations made by the MEU, incapacity status shall also be reviewed and verified at the end of the MEU approval period if continued incapacity is claimed.
 - 1. Individuals who were recently terminated from Social Security Disability/SSI disability benefits who claim continued incapacity may continue to be exempt as incapacitated while the necessary information is being secured and submitted to the MEU.
 - 2. If the client fails to cooperate with the MEU without good cause or refuses to cooperate, the exemption on the basis of incapacity ends.
 - (d) Period of Incapacity for Families First/TANF recipients exempt from work and/or educational requirements.
 - 1. At any time, if there is any indication the Families First/TANF recipient is no longer incapacitated, the recipient's complete medical file shall be resubmitted to the MEU with current medical-social information, including the facts which indicate that incapacity no longer exists.
 - 2. For an active incapacity exemption denied by the MEU, the exemption will be terminated as soon as the recipient is notified.

(Rule 1240-01-49-.02, continued)

- (e) Effective July 1, 2014, the Department shall refer all Families First recipients/applicants, who are disabled or who are deemed incapacitated for longer than six (6) months, as determined by MEU, to the Division of Rehabilitative Services (DRS) to undergo an evaluation. The DRS shall determine, under Chapter 1240-08-04, whether the Families First/TANF recipient/applicant is eligible for DRS services that would provide the individual an opportunity to voluntarily fulfill the Families First/TANF work and/or educational activities requirement, consistent with his/her capabilities.
 - 1. Any Families First/TANF recipient who voluntarily participates in the DRS program shall have the opportunity to volunteer for the work and/or educational activities requirement for Families First/TANF.
 - 2. There is no requirement for financial participation in the DRS program by the individual for receiving any vocational rehabilitation services if the individual is determined eligible for Families First/TANF cash assistance.
- (3) Voluntary Participation in Families First/TANF Work and/or Educational Activities.
 - (a) Any individual who is exempt from the Families First/TANF work and/or educational requirements under this rule, except SSI recipients and Child Only caretakers, may choose to volunteer to participate in the work and/or educational activities.
 - (b) Any individual who voluntarily chooses to participate in the Families First/TANF work and/or educational requirements may retain exempt status if he/she chooses not to comply, except those individuals who are caretakers, in a single-parent household, of a child at least sixteen (16) weeks of age.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-1-105, 71-3-102, 71-3-104, and 71-3-104(h)(3)(A)-(G), 71-3-108(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602; 42 U.S.C. § 607(c), (d), and (e); 42 U.S.C. § 608; 42 U.S.C. § 608(b); 42 U.S.C. § 609, 42 USC §1315(a); Public Acts of 1996, Chapter 950, 45 CFR 233.90(c)(iv), and 45 CFR 250.30, §1115 of the Social Security Act; 45 C.F.R. § 260.30; 45 C.F.R. § 260.31; 45 C.F.R. 233.90, 45 C.F.R. § 261.2(b) through (m); 45 C.F.R. § 261.2(n); Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Public Acts of 2007, Chapter 31. **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Amendment filed July 5, 2002; effective September 18, 2002. Public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007. Repeal and new rule filed April 2, 2014; effective July 1, 2014.

1240-01-49-.03 FAMILIES FIRST WORK REQUIREMENT PROVISIONS.

- (1) An individual, unless otherwise exempt, will be required to participate in work or work-related activities for thirty (30) hours per week as set forth in his/her Personal Responsibility Plan (PRP). At least twenty (20) hours must be spent working in core activities; the remaining ten (10) hours must be spent in core or non-core activities.
- (2) Activities that will be included as a part of the Families First work requirements include:
 - (a) Core Activities. Core Activities must be used to meet the first twenty (20) hours of the work requirement and can be used to meet the entire work requirement. The use of core activities to meet the Families First work requirement is subject to allowances or restrictions on these activities, as defined by federal law and regulation. Unless expanded through federal law or regulation, core activities are:
 - 1. Unsubsidized Employment.

(Rule 1240-01-49-.03, continued)

2. Job search and job readiness assistance.
 3. Work Experience.
 4. Community Service.
 5. Vocational Education.
 6. On-the-job training.
 7. Subsidized work. Families First participants can be placed in private or public sector subsidized work positions.
- (b) Non-core Activities. Non-core activities can be used to fulfill up to ten (10) hours of the Families First work requirement as long as the recipient is engaged in twenty (20) hours of core activities. The use of non-core activities to meet the Families First work requirement is subject to allowances or restrictions on these activities, as defined by federal law and regulation. Unless expanded through federal law or regulation, non-core activities are:
1. Job Skills Training Directly Related to Employment.
 2. Education Directly Related to Employment.
 3. Satisfactory attendance at secondary school or in a GED course, for those who do not yet have a high school diploma.
- (c) Reserved for future use.
- (d) Reserved for future use.
- (e) Reserved for future use.
- (f) Reserved for future use.
- (g) Reserved for future use.
- (h) Reserved for future use.
- (i) Reserved for future use.
- (j) Reserved for future use.
- (k) Reserved for future use.
- (3) Reserved for future use
- (4) The Families First work requirement can be met through satisfactory attendance at secondary school, in the case of a minor parent recipient who:
- (a) has not completed secondary school; and
 - (b) is a caretaker who is nineteen (19) years of age or younger.

(Rule 1240-01-49-.03, continued)

- (5) A minor parent who is eligible as a dependent child must attend school. Failure to comply with this requirement will result in the needs of the non-compliant individual being removed from the grant.
- (6) A caretaker who is in the residential program at Renewal House is in compliance with the Families First work requirement if she is in good standing with Renewal House program requirements.
- (7) Participation in Vocational Rehabilitation services will meet the Families First work requirement.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-1-105, 71-3-152, 71-3-153 and 71-3-154; 71-3-158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 609; Public Acts of 1996, Chapter 950, and 45 CFR 250.30 through 32; 45 CFR 234.60, §1115 of the Social Security Act; 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31. **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007.

1240-01-49-.04 FAILURE TO COMPLY, CONCILIATION, GOOD CAUSE, AND SANCTIONS.

- (1) The Department shall sanction a Families First/TANF recipient who is required to participate in a work and/or educational activities requirement and who fails without good cause, to participate in the required work and/or educational activities in his/her Personal Responsibility Plan.
 - (a) Failure to participate in required work and/or educational activities includes, but is not limited to, refusal to cooperate in the required activities, failure to make satisfactory progress in the required activities, failure to meet minimum attendance standards for the required activities, refusal to participate in the activities directed towards the recipient's employment goals, falsifying employment documentation, refusal to accept suitable employment, refusal to participate in Family Focused Solutions (FFS) if FFS hours are being used as job search/ job readiness hours, or voluntarily quitting employment without good cause.
 1. Following non-compliance with required work and/or educational activities, a sanction shall make the entire assistance unit (AU) ineligible during the mandatory period of case closure when the Families First/TANF recipient to be sanctioned is the caretaker or either parent in a two (2) parent AU.
 2. Following non-compliance with required work and/or educational activities, a sanction shall be applied to remove a Families First/TANF recipient from the AU when that individual is a minor parent who is also a dependent child in an AU.
 - (b) Failure to make satisfactory progress shall be determined by a Families First/TANF recipient's grades in educational activities, objective performance measurements of the recipient's employer, or other objective criteria for the measurement of a recipient's performance for each specific work and/or educational activity. The recipient is responsible for obtaining such written documentation as the Department determines may be necessary to verify satisfactory progress.
 - (c) Exempted Individuals Volunteering. If a Families First/TANF recipient chooses to volunteer to participate in the work and/or educational activities requirement, the recipient may retain exempt status if he/she choose not to comply, except those

(Rule 1240-01-49-.04, continued)

individuals who are caretakers, in a single-parent household, of a child at least sixteen (16) weeks of age.

- (2) Attendance Standards and Good Cause.
 - (a) All Families First/TANF work and/or educational activities requirements are mandatory, unless otherwise provided in this Chapter. Recipients shall be sanctioned for any unexcused absences from Families First/TANF work and/or educational activities requirements. A recipient's first unexcused absence is considered non-compliance and is grounds for a sanction.
 - (b) Good cause may excuse a Families First/TANF recipient's failure to comply with their work and/or educational activities requirement. Good cause reasons include, but are not limited to, the following:
 1. Recipient is determined through medical evidence to be physically or mentally unable to perform the work and/or educational activities requirement assigned;
 2. Recipient lacks child care;
 3. Recipient has a serious household emergency;
 4. Recipient meets a work and/or educational activities requirement exemption criterion;
 5. Recipient's health or safety is at risk;
 6. Recipient lacks transportation;
 7. Recipient voluntarily quits employment with good cause as set forth in Rule 1240-01-49-.06;
 8. Recipient is under threat of domestic violence; or
 9. Any other factor which exists that is beyond the control of the Families First/TANF recipient.
- (3) The Department shall impose sanctions on all Families First/TANF recipients who are determined non-compliant, without good cause, with the work and/or educational activities requirements included in his/her Personal Responsibility Plan as set forth below.
 - (a) Notification of non-compliant Families First/TANF recipients. The Department shall receive notification from the work and educational service providers for Families First/TANF recipients to determine whether the recipient is non-compliant with required work and/or educational activities.
 - (b) ADA Evaluation. Prior to issuing a notice of adverse action, the Department's eligibility counselor shall review the referred recipient's case to determine whether the recipient may have any disabilities, as defined by the Americans with Disabilities Act, or barriers to employment that prevent the recipient from complying with required work and/or educational activities.
 - (c) Conciliation and Adverse Action.
 1. Notice of Adverse Action. If the Department's eligibility counselor determines that a Families First/TANF recipient is non-compliant with assigned work and/or

(Rule 1240-01-49-.04, continued)

educational activities, the eligibility counselor shall close the recipient's Families First/TANF case and issue the non-compliant recipient a notice of adverse action. The notice of adverse action shall contain:

- (i) Notice to the Families First/TANF recipient that he/she must contact the Department's eligibility counselor within ten (10) calendar days of the date of the notice to provide verification of good cause for non-compliance with work and/or educational activities;
 - (ii) The effective date of closure; and
 - (iii) Notice of the Department's appeal procedures.
 2. Conciliation/Adverse Action Period. The Families First/TANF recipient must contact the Department during the ten (10) calendar day conciliation/adverse action period to provide verification of good cause. If the recipient contacts the Department during the ten (10) calendar day conciliation/adverse action period and provides adequate verification of good cause the Department shall reverse the closure of the recipient's Families First/TANF case.
 3. Sanction Period. If the non-compliant recipient fails to provide the Department adequate verification of good cause during the ten (10) calendar day conciliation/adverse action period, the recipient's case closure shall be effective on the date set forth in the notice of adverse action and a sanction shall be applied to the recipient's Families First/TANF case pursuant to paragraph (4) below.
- (4) Length of Sanction. The mandatory sanction shall be imposed for the following time periods:
- (a) First violation. The first violation shall result in the imposition of a one (1) month case closure period of ineligibility for cash assistance.
 - (b) Second violation. The second violation shall result in the imposition of a three (3) month case closure period of ineligibility for cash assistance.
 - (c) Third violation. The third violation shall result in the imposition of a six (6) month case closure period of ineligibility for cash assistance.
 - (d) Fourth or Subsequent Violation. The fourth or subsequent violation shall result in a twelve (12) month case closure period of ineligibility for cash assistance.
 - (e) The sanction shall begin with the next recurring month following the expiration of the adverse action period, unless the participant timely appeals within ten (10) days of the date of the conciliation/adverse action notice.
- ~~(5) Child Care. The Department shall not provide transitional child care to any Families First/TANF recipient whose case is closed due to noncompliance with the work and/or educational activities requirement.~~
- [(5) Child Care. The Department shall provide at least three (3) months of transitional child care to any Families First/TANF recipient whose case is closed due to noncompliance with the work and/or educational activities requirements.]
- (6) Early Re-entry during Case Closure. A Families First/TANF recipient whose case was closed due to noncompliance with the work and/or educational activities requirement may apply for early re-entry if he/she meets the following criteria:

(Rule 1240-01-49-.04, continued)

- (a) The early re-entry criteria during the mandatory sanction periods are:
 - 1. The receipt of cash assistance would prevent removal of a child from the home by the Department of Children's Services;
 - 2. The recipient has become disabled or incapacitated according to the Families First/TANF work activities exemption policy;
 - 3. The recipient is under a threat of domestic violence;
 - 4. The receipt of cash assistance would prevent the recipient's family or AU from becoming homeless; or
 - 5. The recipient has assumed the responsibility of caring for an in-home disabled relative.
 - (b) Fourth or Subsequent Sanction Period. If a non-compliant recipient has been continuously employed for a period of three (3) months for at least thirty (30) hours per week, is still employed, and is able to verify the employment, then that recipient is eligible for early re-entry during a fourth or subsequent sanction period.
- (7) Families First/TANF Eligibility after Sanction.
- (a) Applications filed prior to the expiration of the mandatory sanction period shall be denied due to ineligibility for benefits during the sanction period unless the applicant is able to show early re-entry criteria, as set forth in paragraph (6) above.
 - (b) Participation in Families First/TANF after a sanction due to non-compliance with the work and/or educational activities requirement may resume when:
 - 1. The mandatory sanction period has expired;
 - 2. The former recipient timely files a new Families First/TANF application as required by subparagraph (a) of this paragraph (7) and meets all other eligibility criteria; and
 - 3. The former Families First/TANF recipient complies with required work and/or educational activities for ten (10) consecutive business days after re-application.
 - (c) The Department shall consider a former recipient's Families First/TANF application pending during the mandatory ten (10) consecutive business day compliance period and the recipient shall receive childcare, as needed.
- (8) Appeals. Any individual who receives notification of a case closure as a result of non-compliance with the work and/or educational activities requirement may timely appeal according to the appeal procedures outlined in Chapter 1240-05 and Title 4, Chapter 5, Part 3 of the Uniform Administrative Procedures Act.
- (a) To continue receiving benefits, without the imposition of a sanction, the Families First/TANF recipient must request a hearing during the ten (10) day period following the notice of adverse action. If the recipient appeals during the adverse action period, no sanctions shall be imposed until a final decision is entered.
 - (b) Overpayments. If a final decision upholding the sanction decision is entered, the cash assistance received during the sanction period pending the fair hearing will be

(Rule 1240-01-49-.04, continued)

considered an overpayment and DHS may collect the overpayment in accordance with the procedures set forth in Chapter 1240-01-52.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-1-105, 71-1-105(12), 71-3-101 through 71-3-115, 71-3-104(a), (d)(1)(B) and (C), (g) and (h), 71-3-107(c)(1) and (f), and 71-3-108(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4) and 42 U.S.C. § 609; 42 U.S.C.A. § 1315; Federal Waiver of July 26, 1996; Acts of 1996, Chapter 950, and 45 CFR 250.34 through 250.36, §1115 of the Social Security Act, 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006) and Public Acts of 2007, Chapter 31; 42 U.S.C. § 9858c(c)(2)(N)(i-iii). **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Amendment filed December 13, 2002; effective February 26, 2003. Amendment filed December 19, 2003; effective March 3, 2004. Public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007. Repeal and new rule filed April 2, 2014; effective July 1, 2014;

1240-01-49-.05 APPEALS AND HEARINGS. The Department of Human Services is responsible for hearing appeals on any disputed matter relating to Families First eligibility and amount of grant and any Families First work requirement dispute including but not limited to a referral to Families First service providers, effective participation in Families First work requirements, whether good cause for failure to participate exists, and imposition of sanctions. These appeals will be conducted according to appeal procedures set forth in Chapter 1240-5 and Title 4, Chapter 5, Part 3 of the Administrative Procedures Act and which shall not be more narrow than those in existence on August 31, 1996.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 4-5-301 et seq., 71-1-105, 71-3-152, 71-3-153 and 71-3-154; 71-3-158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4) and 42 U.S.C. § 609; Public Acts of 1996, Chapter 950, Title 4, Chapter 5, Part 3, and 45 CFR 205.10 and 250.36, 45 C.F.R. 205.10, 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006) and Acts 2007, Chapter 31. **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007.

1240-01-49-.06 VOLUNTARY QUIT.

- (1) Any member of an AU with a work and/or educational activities requirement, including either parent in a two-parent AU, shall not voluntarily quit employment, without good cause, within the two (2) months prior to the month of application, during the month of application, or during the application processing period for Families First/TANF cash assistance.
 - (a) If any member of an AU with a work activities requirement voluntarily quits employment as set forth in this section, the application will be pended.
 - (b) An AU is eligible for Families First/TANF cash assistance after a voluntary quit prior to or during the application processing period when:
 1. The Families First/TANF applicant meets all eligibility criteria; and
 2. The Families First/TANF applicant complies with required work and/or educational activities for ten (10) consecutive business days after application.
- (2) If, during receipt of Families First/TANF cash assistance, any member of an AU with a work activities requirement, including either parent in a two-parent AU, voluntarily quits

(Rule 1240-01-49-.06, continued)

employment without good cause, the individual and/or AU shall receive a sanction as set forth in Rule 1240-01-49-.04.

- (3) Good cause to avoid a voluntary quit sanction includes, but is not limited to:
- (a) Complications of pregnancy which render the mother incapacitated, as certified by a physician;
 - (b) The individual was required to return to work prior to the end of sixteen (16) weeks of leave following the birth of a child;
 - (c) Existing child care became unavailable and substitute child care could not be arranged, for reasons beyond the caretaker's control;
 - (d) Transportation was unavailable and the employee submits evidence that substitute transportation could not be arranged;
 - (e) The employee was needed in the home to care for an ill or disabled family member;
 - (f) The employer refused to allow time off for the employee to attend to a temporary family emergency;
 - (g) The job paid less than minimum wage based on the number of hours actually worked;
 - (h) There was discrimination by the employer based on age, race, sex, color, handicaps, religious beliefs, national origins, or political beliefs;
 - (i) Work demands or conditions rendered continued employment unreasonable;
 - (j) The employee accepted other employment with at least comparable gross wages;
 - (k) The employee left a job in connection with patterns of employment in which workers frequently move from one employer to another;
 - (l) The employer failed to provide reasonable accommodations for the employee pursuant to the Americans with Disabilities Act; or
 - (m) The employer violated any federal, state, or local employment law in the employer's treatment of the employee.

Authority: T.C.A. . §§ 4-5-201 et seq., 4-5-202, 71-1-105(12), 4-5-209, 71-3-101 through 71-3-115, 71-3-104(a), (d), (g) and (h), 71-1-105, 71-3-107(c)(1) and (f), and 71-3-108(d)(2)(D), 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, (c), (d), 42 U.S.C. § 607 and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(b)(3), 42 U.S.C. § 609, 42 U.S.C.A. § 1315; Federal Waiver of July 26, 1996, 42 USC §1315(a), Acts of 1996, Chapter 950, and § 1115 of the Social Security Act, 45 C.F.R. § 261.2, 45 C.F.R. § 261.10, 45 C.F.R. § 261.14, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31, and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Public Acts of 2007, Chapter 31, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31. **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Amendment filed July 5, 2002; effective September 18, 2002. Amendment filed December 13, 2002; effective February 26, 2003. Public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007. Repeal and new rule filed April 2, 2014; effective July 1, 2014.

1240-01-49-.07 STRIKERS.

(Rule 1240-01-49-.07, continued)

- (1) Definitions.
 - (a) The term "strike" includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of expiration of a collective bargaining agreement) and any concerted shutdown or other concerted interruption of operation by employees.
 - (b) The term "participating in a strike" means an actual refusal in concert with others to provide services to one's employers.
- (2) Eligibility Factors.
 - (a) If a parent with whom the children live is participating in a strike, the entire assistance group is ineligible for as long as the parent is on strike. The parent does not have to be a member of the assistance group to cause ineligibility.
 - (b) If an assistance group member other than a parent is participating in a strike, that individual is ineligible for assistance as long as she/he is on strike.
 - (c) If a payment of Families First benefits has already been made for any month(s) in which a parent or other assistance group member participated in a strike as of the last day of the month, the payment (or the individual's share) for the entire month constitutes an overpayment subject to recovery.

Authority: T.C.A. §§ 4-5-201 et seq., 71-1-105, Public Acts of 1996, Chapter 950, and 45 CFR 233.106.
Administrative History: Original rule filed December 2, 1996; effective February 15, 1997.

1240-01-49-.08 DEFINITIONS.

For purposes of this Chapter:

- (1) "Adverse Action Notice" is a computer generated notice sent to a Families First/TANF recipient when a negative action is taken on a Families First/TANF case.
- (2) "Assistance Unit (AU)" means the "aid group (AG)" or group of people applying for or receiving Families First/TANF cash assistance benefits.
- (3) "Caretaker" is a relative within a specified degree of relationship to the child who:
 - (a) provides a home for the child; and
 - (b) exercises primary responsibility for care and control of child.
- (4) "Child Care" means the provision of supervision and protection, and at a minimum, meeting the basic needs of a child or children for less than twenty-four (24) hours a day. Child care is provided when necessary for the participant to take part in work or training activities while the AU is receiving Families First/TANF cash assistance.
- (5) "Child Only caretaker" is a caretaker who is either a non-parental relative who is not included in the AU or a caretaker receiving SSI benefits.
- (6) "Conciliation" means a ten (10) calendar day period of time given to a Families First/TANF recipient to establish good cause for failure to comply with their work activities requirements following the issuance of a notice of adverse action, unless the tenth (10th) day falls on a weekend or holiday.

(Rule 1240-01-49-.08, continued)

- (7) "Department" means the Department of Human Services.
- (8) "Employee" means the Families First/TANF recipient and/or caretaker, who works in the service of another person, private entity, or governmental entity.
- (9) "Employment" means the relationship between an employee and his/her employer consisting of the employee's work responsibilities for the employer.
- (10) "Families First" refers to the temporary public assistance program provided under Temporary Assistance for Needy Families ("TANF"), administered by the Department pursuant to Title IV-A of the Social Security Act and title 71, chapter 5, part 3 of the Tennessee Code Annotated.
- (11) "Family Focused Solutions ("FFS")" refers to a Families First/TANF support service whose purpose is to provide supportive assistance to Families First/TANF recipients who may have barriers to employment.
- (12) "Incapacity" is deemed to exist when one parent has a physical or mental defect, illness, or impairment. The incapacity shall be supported by competent medical testimony and must be of such a debilitating nature as to reduce substantially, or eliminate the parent's ability to support or care for the otherwise eligible child and be expected to last for a period of at least thirty (30) days. Incapacity may be a reason for deprivation or may be a reason for a temporary exemption from a work activities requirement.
- (13) "Sanction" means the period of time during which a Families First/TANF case is closed due to lack of adequate participation in required work and/or educational activities.
- (14) "Support Services" means the transportation, optical, dental, and other services which are provided by the Families First/TANF work activity contractor when necessary for participation in work and/or educational activities.
- (15) "Work activities" means the work and/or educational activities performed in return for cash assistance benefits that provide a Families First/TANF recipient with an opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain employment.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-1-105, 71-1-105(12), 71-3-101 through 71-3-115, 71-3-104(a), (d)(1)(B) and (C), (g) and (h), 71-3-107(c)(1) and (f), and 71-3-108(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4) and 42 U.S.C. § 609; 42 U.S.C.A. § 1315; Federal Waiver of July 26, 1996; Acts of 1996, Chapter 950, and 45 CFR 250.34 through 250.36, §1115 of the Social Security Act, 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006) and Public Acts of 2007, Chapter 31. **Administrative History:** Original rule filed December 13, 2002; effective February 26, 2003. Public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007. Repeal and new rule filed April 2, 2014; effective July 1, 2014.

1240-01-49-.09 DIVERSION PROGRAM AND ELIGIBILITY REQUIREMENTS.

- (1) General. The Families First Diversion Program is an alternative to the receipt of ongoing cash assistance under the Families First/Temporary Assistance for Needy Families (TANF). The purpose of the Diversion program is to provide an applicant with sufficient financial support to cover an immediate and compelling financial need that would divert the applicant's need to receive ongoing Families First/TANF cash assistance.

(Rule 1240-01-49-.09, continued)

- (2) Eligibility for diversion grant. The Department shall evaluate applications for cash assistance to determine whether a diversion grant may be appropriate to meet an applicant's immediate and compelling financial need.
 - (a) To receive a diversion grant, the Department must determine that the applicant is eligible to receive Families First/TANF.
 1. A "child only" applicant, an applicant who is either a non-parental relative who is not included in the Assistance Unit or a caretaker receiving SSI benefits, shall not be eligible for a diversion grant.
 2. If eligible for Families First/TANF, the applicant shall have the option to receive a diversion grant to cover an immediate and compelling financial need instead of receiving ongoing monthly cash assistance.
 - (b) The diversion grant shall:
 1. Meet an applicant's immediate and compelling needs, as determined by the Department, so that an applicant or recipient can avoid temporary cash assistance; and
 2. Not cover the same type of immediate need met by a previous diversion grant, unless the Department determines that the applicant has a new and verified emergency.
 - (c) Each applicant shall be required to submit appropriate documentation to verify immediate and compelling financial needs.
- (3) Calculation of the diversion grant.
 - (a) The Department shall calculate the amount of a diversion grant, on a case-by-case basis, based upon the aggregate amount of monthly temporary cash assistance an applicant is eligible to receive, not to exceed twelve (12) months.
 - (b) The applicant's temporary cash assistance lifelong eligibility period shall be reduced by the number of months equal to the total cash amount of the diversion grant that the applicant receives.
- (4) A diversion grant is an alternative to ongoing Families First/TANF benefits. A recipient of a diversion grant is ineligible to receive temporary cash assistance for the number of months of temporary cash assistance equal to the total cash amount of the diversion grant.
- ~~(5) A recipient of a diversion grant may be eligible to receive up to three (3) months of subsidized child care, if the recipient is employed at least thirty (30) hours per week.~~
- [(5) A recipient of a diversion grant may be eligible to receive at least twelve (12) months of subsidized child care, if the recipient is employed at least thirty (30) hours per week upon application.]

Authority: T.C.A. §§ 4-5-201 et seq., 71-1-105, 71-3-102, 71-3-103 and 71-3-104; 42 U.S.C. §§ 601 et seq., 45 C.F.R. § 233.90; Deficit Reduction Act 2005 (Pub. L. 109-171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454-01 (June 29, 2006); 42 U.S.C. § 9858c(c)(2)(N)(i-iii). **Administrative History:** Original public necessity rule filed July 2, 2007; expired December 14, 2007. Amendment filed October 1, 2007; effective December 15, 2007. Repeal and new rule filed April 2, 2015; effective July 1, 2015;

(Rule 1240-01-49-.09, continued)

**RULES
OF
TENNESSEE DEPARTMENT OF HUMAN SERVICES
FAMILY ASSISTANCE DIVISION**

**CHAPTER 1240-01-54
CHILD CARE
FAMILIES FIRST PROGRAM**

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1240-01-54-.01 Families First Child Care

1240-01-54-.02 Transitional Child Care Coverage

1240-01-54-.01 FAMILIES FIRST CHILD CARE. If child care is required to enable a Families First recipient to accept or hold employment or to engage in employment-related activities, the Department can provide for the cost of child care in either of two ways. The recipient may choose the manner in which child care will be provided, as described in (1) and (2) below, whichever is most advantageous to the AG.

- (1) Deduct the cost of child care from earnings in accordance with 1240-1-50-.16(1)(c)5.(ii); or
- (2) Direct payment to a child care provider for the cost of care (up to established maxima).
- (3) When Families First eligibility is dependent on the deduction of child care from earnings, this will be the method used to provide child care for that individual.
- (4) Families First child care cannot be used for persons not included in the AG (e.g., a grandmother who is the caretaker of children in the AG, but is not herself included in the AG.)

Authority: T.C.A. §§ 4-5-201 et seq., 71-1-105, Public Acts of 1996, Chapter 950, 45 CFR 255.2 and 255.3, and §1115 of the Social Security Act. **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997.

1240-01-54-.02 TRANSITIONAL CHILD CARE COVERAGE.

- (1) Transitional Child Care (TCC) shall be provided following the effective date of the Families First/TANF case closure for a minimum of a twelve (12) month period of time, beginning with the month following the effective date of the Families First/TANF closure for any reason except for closures resulting from circumstances described in paragraphs (3) or (4). If the recipient does not request TCC at case closure and then later requests TCC, then TCC will only be provided for the remaining months in the twelve (12) month period of time that followed case closure.
- (2) TCC for a minimum of twelve (12) months shall be provided when:
 - (a) The caretaker has a minimum of thirty (30) hours per week in allowable activities, as defined by policy;
 - (b) The individual's gross wages equal the current federal minimum wage when averaged over the number of hours worked per week; and
 - (c) Total family income is below the income level established in State Transitional Child Care policies. This income level will be set at sixty percent (60%) of the state median income or higher.
- (3) ~~An Assistance Unit (AU) is ineligible for TCC beginning with the month after the Families First/TANF AU becomes ineligible when the case is closed due to:~~

(Rule 1240-01-54-.02, continued)

- ~~(a) Non-cooperation with child support establishment and enforcement requirements; or~~
 - ~~(b) Non-compliance with work activity requirements.~~
- [(3) An Assistance Unit (AU) is eligible for TCC for at least three (3) months, beginning with the month after the Families First/TANF AU becomes ineligible when the case is closed due to noncompliance with the work and/or educational activities requirements.]
- ~~(4) Eligibility for Transitional Child Care (TCC) ends and does not begin again until re-application for Families First, when:~~
- ~~(a) The AU moves out of state;~~
 - ~~(b) The caretaker fails to pay required parent co-pay fees or to make acceptable payment arrangements;~~
 - ~~(c) There is no eligible adult;~~
 - ~~(d) The only child in the assistance unit leaves the home;~~
 - ~~(e) The case has no minor parent (Eligible Child) in the AU who has signed a Personal Responsibility Plan;~~
 - ~~(f) The case that was approved for interim benefits is later found to have been ineligible for Families First;~~
 - ~~(g) The caretaker fails to cooperate with child support establishment and enforcement requirements as determined by the Department;~~
 - ~~(h) The case is closed due to non-compliance with work activity requirements; or~~
 - ~~(i) The established period of TCC eligibility ends.~~
- [(4) Eligibility for Transitional Child Care (TCC) ends and does not begin again until re-application for Families First, when:
- (a) The AU moves out of state;
 - (b) There is no eligible adult;
 - (c) The only child in the assistance unit leaves the home;
 - (d) The case has no minor parent (Eligible Child) in the AU who has signed a Personal Responsibility Plan;
 - (e) The case that was approved for interim benefits is later found to have been ineligible for Families First;
 - (f) The caretaker fails to cooperate with child support establishment and enforcement requirements as determined by the Department; or
 - (g) The established period of TCC eligibility ends.]

(Rule 1240-01-54-.02, continued)

Authority: T.C.A. §§ 4-5-201 et seq., 71-1-105; 71-3-104(b)(1); 71-3-107; 71-3-108; and 42 USCA § 1315(a); 42 U.S.C. § 9858c(c)(2)(N)(i-iii). **Administrative History:** Original rule filed December 2, 1996; effective February 15, 1997. Amendment filed July 5, 2002; effective September 18, 2002. Amendment filed November 24, 2003; effective February 7, 2004. Repeal and new rule filed April 2, 2014; effective July 1, 2014.

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Department of Human Services (board/commission/ other authority) on 10/06/2016 (mm/dd/yyyy), and is in compliance with the provisions of T.C.A. § 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: 07/28/16

Rulemaking Hearing(s) Conducted on: (add more dates). 09/22/16

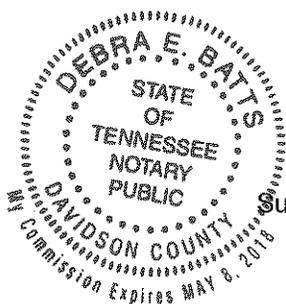
Date: 11/14/16

Signature: Charles Bryson

Name of Officer: Charles Bryson

Assistant Commissioner

Title of Officer: Tennessee Department of Human Services



Subscribed and sworn to before me on: November 14, 2016

Notary Public Signature: Debra E. Batts

My commission expires on: May 8, 2018

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slatery III

Herbert H. Slatery III
Attorney General and Reporter

12/5/2016
Date

Department of State Use Only

Filed with the Department of State on: 12-8-16

Effective on: 3-8-17

Tre Hargett

Tre Hargett
Secretary of State

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PUBLICATIONS

G.O.C. STAFF RULE ABSTRACT

- AGENCY:** Tennessee Higher Education Commission, Division of Postsecondary State Authorization (DPSA)
- SUBJECT:** Authorization and Regulation of Postsecondary Institutions and Their Agents; Regulation of Postsecondary Educational Institutions with Optional Expedited Authorization (OEA)
- STATUTORY AUTHORITY:** Tenn. Code Ann., Section 49-7-2005(a)(6)
- EFFECTIVE DATES:** March 21, 2017, through June 30, 2017
- FISCAL IMPACT:** The Commission anticipates a reduction of approximately \$1.5 million in fee revenues. These fees are credited to a special agency account to administer the Tennessee Higher Education Authorization Act of 2016. The revenue reduction is due to the change in metric used to calculate annual fees and the implementation of the optional expedited authorization process. The Commission expects to adjust staffing levels within DPSA in response to the revenue loss.
- STAFF RULE ABSTRACT:** According to the Commission, the revisions to Rule Chapter 1540-01-02 are intended to improve consistency, organization, clarity, and notice to institutions. The internal consistency as well as consistency between the rules and Chapter 868 of the Public Acts of 2016, the Higher Education Authorization Act of 2016 ("HEAA"), was improved by reviewing the rules alongside the statutes. The organization of the rules was enhanced by moving similar topics under a single section, for example, all exemption language will now appear in Rule 1540-01-02-.05. Also, language was added to clarify requirements, such as in Rule 1540-01-02-.13 where the order of enrollment documentation is explained. Other rules were expanded to provide additional information where the rules were previously silent. For example, the rules now provide notice to institutions of what will be required from an institution that changes its name.
- The rule revisions also include the addition of Rule Chapter 1540-01-10, the purpose of which is to ensure the orderly implementation of the optional expedited authorization process created by the HEAA.

Public Hearing Comments

One copy of a document containing responses to comments made at the public hearing must accompany the filing pursuant to T.C.A. § 4-5-222. Agencies shall include only their responses to public hearing comments, which can be summarized. No letters of inquiry from parties questioning the rule will be accepted. When no comments are received at the public hearing, the agency need only draft a memorandum stating such and include it with the Rulemaking Hearing Rule filing. Minutes of the meeting will not be accepted. Transcripts are not acceptable

Responses to the Comments Offered as Part of the Rulemaking Proceeding Initiated on August 15, 2016

Subject of Comment: Rule 1540-01-02-.05(1)(a) – Exemptions

Commenting Entities:

- Waller Lansden Dortch & Davis, LLP

Comment Summary: The suggestion made by this commenter is to add an explicit exemption for franchisor, franchisee, and employee training.

Commission Staff Response: Staff accepted this suggestion by incorporating the suggested language along with an added qualifier that the training must be at no cost to the employee. This qualifier is consistent with the other .05(1)(a) exemptions.

Subject of Comment: Rule 1540-01-02-.08(2) – Acceptance of funds prior to start date

Commenting Entities:

- Nashville Software School, Inc.

Comment Summary: This rule provides: “Unaccredited institutions shall not accept funds for tuition prior to ten (10) business days of the scheduled start date of the course or program.” The institution commented that the number of days should be greater as the current ten (10) day period compromises the flexibility of students who are seeking financing or trying to reserve a spot.

Commission Staff Response: Staff does not agree with this comment and is not recommending that the proposed rule be revised. The proposed rule is identical to a rule that was effective from 2008 through 2011. See Rule 1540-01-02-.18(6) (August 2008). The rule prevents unaccredited institutions from receiving tuition too far in advance. Preventing such protects students in the event that the institution closes unexpectedly and is unable to return tuition to students who paid in advance. Such a scenario is less likely when the time period between the first day tuition can be paid and the program starts is short. Staff will contact the institution to discuss alternatives that are consistent with the rules and the institution's business model.

Subject of Comment: Rule 1540-01-02-.12(3)(a) – Basis of admission for certificate and diploma programs

Commenting Entities:

- Interfaith Education Center for Community Dental Care

Comment Summary: The institution suggests that it should be able to admit students in short certification courses based on the student having a current license in the field. The institution explained that the Board of Dentistry only requires verification of licensure to enroll in short certification courses.

Commission Staff Response: Staff accepted this suggestion by incorporating additional language at Rule 1540-01-02-.12(3)(a), which sets forth the basis of admission standards for certificate and diploma programs, and Rule 1540-01-02-.15(6)(c), which explains basis of admission documentation requirements.

Subject of Comment: Rule 1540-01-10-.06 – Revocation of OEA Status

Commenting Entities:

- Education Corporation of America (ECA) on behalf of Brightwood College and Virginia College (Knoxville and Chattanooga, Tennessee)
- National College – Locations in Bristol, Bartlett, Knoxville, Madison, Memphis, and Nashville, Tennessee and Salem, Virginia.

Comment Summary:

This rule does not contain a provision for the circumstance where an institutional accreditor loses its recognition by the U.S. Department of Education. Currently, if an accreditor loses its recognition, an OEA institution would lose its OEA status. At best, under the rule, an OEA institution would have 6 months to find a new accreditor; however, seeking accreditation takes 12 to 18 months.

Commission Staff Response: Staff accepted this suggestion by incorporating additional language at Rule 1540-01-10-.06(4) stating:

[N]o immediate action should be taken to revoke an institution's OEA when the institution's accreditor is removed from the U.S. Department of Education's list of recognized accreditors. The Executive Director shall set a time period in which institutions may continue to operate under OEA, assuming all other OEA requirements are met. The time period should coincide with the provisional time period set by the U.S. Department of Education for affected institutions to seek a new accreditor.

Staff believes this addition fully addresses the concerns raised by the comment and requires minimal intervention until the procedure at the U.S. Department of Education is concluded.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process, all agencies shall conduct a review of whether a proposed rule or rule affects small business.

(1) The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule:

The Tennessee Higher Education Commission (THEC) represents that the businesses affected by these rule revisions are non-exempt postsecondary educational institutions, and the small business institutions are most likely unaccredited or cosmetology/barber institutions. THEC opines that approximately seventy percent (70%) of the authorized non-exempt postsecondary educational institutions may be small businesses.

(2) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record:

THEC represents that the additional reporting, recordkeeping and other administrative costs required for compliance with the proposed rule revisions is minimal. Rule 1540-01-02-.14(4)(c) is the only revised rule that requires the use of professional skills. Specifically, this rule requires:

Institutions with annual gross tuition revenue at the authorized location of one hundred thousand dollars (\$100,000) or less shall submit a balance sheet and income statement using forms prepared by Commission staff as long as those forms are completed by an independent certified public accountant or a bookkeeper certified by the National Association of Certified Public Bookkeepers.

THEC opines that the use of a financial professional is necessary to ensure that an institution submits correct financial statements that THEC can review to determine the financial stability of the institution without employing or contracting a financial professional at THEC. Previously, unless granted a waiver, institutions earning gross tuition revenues of one hundred thousand dollars (\$100,000) or less were required to provide audited financials prepared by an independent Certified Public Accountant (CPA). Those that received a waiver were able to produce their own statements using THEC's forms; however, the statements received often contain multiple errors as the person completing the form did not have sufficient knowledge of financial terminology. Despite training and one-on-one consultation between institutions and THEC professional staff, errors continued. The revised rule seeks to balance the need for professionally prepared financials with the limited resources of small businesses and THEC by allowing the use of THEC forms and a bookkeeping professional. Note that no comments were offered on this rule during the rulemaking hearing proceeding.

(3) A statement of the probable effect on impacted small businesses and consumers:

Generally, THEC represents that the rules will benefit small business institutions as the revisions are intended to clarify requirements, improve the organization of the rules, and improve conformity with statutory language and current practices. As to specific rules, THEC represents the following:

- The rule revisions to Rules 1540-01-02-.11, .13 and .19 allow institutions to offer a cash discount. Using a cash discount will benefit institutions and students by providing the institution a quick and certain payment method and the student lower tuition costs.
- The revision of Rule 1540-01-02-.12(3) will benefit small business institutions by allowing those that offer certificate or diploma programs to enroll a student on the basis of the student having a current Tennessee license in the field for which the training is intended. This will simplify the enrollment process for applicable programs.
- The revision to Rule 1540-01-02-.14 should benefit small business institutions by alleviating the financial burden of submitting audited financial statements. See additional discussion above in response to question 2.
- The addition of Rule 1540-01-02-.19(8) should benefit small business institutions by providing clarity as to when an institution may offer scholarships, tuition waivers, or similar awards. Being able to offer such awards may aid the recruitment and enrollment efforts of small business institutions.
- Rule 1540-01-02-.25 adjusts the annual reauthorization fees such that most small business institutions will pay the minimum reauthorization fee or a fee that is lower than past years' reauthorization fees.
- As a result of the revisions to Rules 1540-01-02-.11, .13, and .17 small business institutions may need to revise their policies, pre-enrollment checklist, enrollment agreement, or catalog. THEC expects these costs to be minimal administrative costs.

(4) A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business:

THEC represents that it is not aware of any less burdensome, intrusive, or costly alternatives, and institutions did not propose any such alternatives during the rulemaking hearing proceeding.

(5) A comparison of the proposed rule with any federal or state counterparts:

THEC represents that there are no federal or state counterparts that overlap, duplicate, or conflict with the proposed rule revisions.

(6) Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule:

THEC represents that there is no need to exempt institutions from all or any part of the requirements contained in the proposed rules as the revisions are not burdensome, intrusive or costly. In fact, in some instances the revisions offer relief from previous regulatory restrictions.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

These rule revisions will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The revisions to Rule Chapter 1540-01-02 are intended to improve consistency, organization, clarity, and notice to institutions. The internal consistency as well as consistency between the rules and 2016 Public Acts Chapter 868, the Higher Education Authorization Act of 2016 ("HEAA") was improved by reviewing the rules alongside the statutes. The organization of the rules was enhanced by moving similar topics under a single section, for example, all exemption language will now appear in Rule 1540-01-02-.05. Also, language was added to clarify requirements, such as in Rule 1540-01-02-.13 where the order of enrollment documentation is explained. Other rules were expanded to provide additional information where the rules were previously silent. For example, the rules now provide notice to institutions of what will be required from an institution that changes its name.

The rule revisions also include the addition of Rule Chapter 1540-01-10. This revision will ensure the orderly implementation of the optional expedited authorization process created by the HEAA.

When drafting the revisions, the Tennessee Higher Education Commission ("THEC") took into consideration comments made during the October 6, 2016 rulemaking hearing and lessons learned from the implementation of the Emergency Rules. Also, THEC sought to improve the overall effectiveness of the Division of Postsecondary State Authorization ("DPSA"), the office and Commission staff responsible for oversight of the HEAA and the related rules.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

The HEAA contemplates the promulgation of new rules as a result of: (1) a directive to the Executive Director to consider the efficiency, adequacy, and overall effectiveness of the current regulatory function and (2) substantive changes to the regulatory framework in Title 49, Chapter 7, Part 20. The HEAA took effect for purposes of promulgating rules on April 19, 2016, and for all other purposes took effect on October 1, 2016.

When proposing these rule revisions, THEC relies on T.C.A. § 49-7-2005(a)(6), which states that THEC has the power and duty to: "Promulgate rules, regulations, performance standards and procedures necessary or appropriate for the conduct of its work and the implementation of this part, which rules and regulations shall have the force of law, and to hold hearings as it deems advisable or as required by law in developing the rules, regulations and procedures or in aid of any investigation or inquiry." Additionally, T.C.A. § 49-7-2023, directs THEC "to promulgate rules to effectuate the purposes of [Part 20]" and mandates that the "rules shall be promulgated in accordance with the Uniform Administrative Procedures Act."

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

These rule revisions will affect the operation of postsecondary educational institutions subject to the provisions of Title 49, Chapter 7, Part 20. As of November 16, 2016, THEC authorizes 214 institutions with 386 locations. During the rulemaking process, THEC notified institutions of the proposed revisions and provided the institutions with an opportunity to submit written comments or appear at the rulemaking hearing held October 6, 2016. Six institutions or corporate parents and one law firm commented on the rules, either orally at the hearing or through written comments. Some commenters expressed their appreciation for THEC listening to comments throughout the rulemaking process. Others asked operational questions about the rules but did not suggest revisions. Finally, commenters suggested revisions to four rules, Rule 1540-01-02-.05(1)(a), .08(2), and .12(3)(a) and Rule 1540-01-10-.06. A detailed summary of all comments received is included in this filing.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule;

None

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

THEC anticipates a reduction of approximately 1.5 million dollars in fee revenues. These fees are credited to a special agency account to administer Part 20. The revenue reduction is due to the change in metric used to calculate annual fees and the implementation of the optional expedited authorization process. It is expected that THEC will adjust staffing levels within DPSA in response to the revenue loss.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Julie Woodruff, Assistant Executive Director & Lead Attorney, Division of Postsecondary State Authorization
Dr. Stephanie Bellard Chase, Associate Executive Director, Division of Postsecondary State Authorization

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Julie Woodruff, Assistant Executive Director & Lead Attorney, Division of Postsecondary State Authorization
Dr. Stephanie Bellard Chase, Associate Executive Director, Division of Postsecondary State Authorization
Scott Sloan, General Counsel and Associate Executive Director for Legal & Regulatory Affairs

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Julie Woodruff, Assistant Executive Director & Lead Attorney, Division of Postsecondary State Authorization
(615) 253-8857; julie.woodruff@tn.gov
Dr. Stephanie Bellard Chase, Associate Executive Director, Division of Postsecondary State Authorization
(615) 532-7495; stephanie.bellard@tn.gov
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(615) 741-7571; scott.sloan@tn.gov

All persons are located at:
Tennessee Higher Education Commission
Parkway Towers, Suite 1900
404 James Robertson Parkway
Nashville, TN 37243-0830

- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

Additional information available upon request.

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For Department of State Use Only

Sequence Number: 12-13-16
 Rule ID(s): 6383-6384
 File Date: 12/21/16
 Effective Date: 3/21/17

Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing (Tenn. Code Ann. § 4-5-205).

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission:	Tennessee Higher Education Commission
Division:	Division of Postsecondary State Authorization
Contact Person:	Julie M. Woodruff
Address:	404 James Robertson Parkway, Nashville, TN
Zip:	37243
Phone:	(615)253-8857
Email:	julie.woodruff@tn.gov

Revision Type (check all that apply):

- Amendment
- New
- Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that ALL new rule and repealed rule numbers are listed in the chart below. Please enter only ONE Rule Number/Rule Title per row)

Repealed and Amended:

Chapter Number	Chapter Title
1540-01-02	Authorization and Regulation of Postsecondary Education Institutions and Their Agents
Rule Number	Rule Title
1540-01-02-01	Preface
1540-01-02-02	Role of Commission, Committee and Staff
1540-01-02-03	Definitions
1540-01-02-04	Determinations for Required Authorization
1540-01-02-05	Exemption
1540-01-02-06	Minimum Authorization Standards and Requirements
1540-01-02-07	Institutional Applications
1540-01-02-08	Regulations for Specific School Types
1540-01-02-09	Annual Renewal for Authorization
1540-01-02-10	Required Minimum Standards
1540-01-02-11	Institutional Catalog
1540-01-02-12	Admissions Standards
1540-01-02-13	Enrollment Agreements and Disclosure Standards
1540-01-02-14	Financial Standards

1540-01-02-.15	Institutional and Student Records
1540-01-02-.16	Personnel and Instructor Qualifications
1540-01-02-.17	Cancellation and Refund
1540-01-02-.18	Prohibited Acts
1540-01-02-.19	Fair Consumer Practices and Student Complaints
1540-01-02-.20	Advertising and Solicitation
1540-01-02-.21	Authorization Status
1540-01-02-.22	Causes for Adverse Action
1540-01-02-.23	Institutional Closure
1540-01-02-.24	Tuition Guarantee Fund (TGF)
1540-01-02-.25	Fees
1540-01-02-.26	Reserved

New:

Chapter Number	Chapter Title
1540-01-10	Regulation of Postsecondary Educational Institutions with Optional Expedited Authorization (OEA)
Rule Number	Rule Title
1540-01-10-.01	Incorporation of Rules
1540-01-10-.02	Definitions
1540-01-10-.03	Eligibility and Application Requirements
1540-01-10-.04	Required Notifications to Commission Staff
1540-01-10-.05	Denial of OEA Status
1540-01-10-.06	Revocation of OEA Status
1540-01-10-.07	Complaints
1540-01-10-.08	Filing Method and Requirements
1540-01-10-.09	Fees

RULES OF THE TENNESSEE HIGHER EDUCATION COMMISSION
CHAPTER 1540-01-02
AUTHORIZATION AND REGULATION OF REGULARLY AUTHORIZED POSTSECONDARY
EDUCATIONAL INSTITUTIONS AND THEIR AGENTS

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1540-01-02-.01 PREFACE.

- (1) The Commission invites continuous, constructive cooperation with institutions, civic organizations, governmental agencies, Better Business Bureaus, students and others to ensure the enforcement and improvement of these standards for better service to all consumers and will work to implement these rules as staffing allows. The observance of these rules is the responsibility of each institution for the inherent advantage to each institution and for the common good of all institutions.
- (2) ~~These rules are complementary to the Tennessee Postsecondary Education Authorization Act~~ Higher Education Authorization Act of 2016 at Title 49, Chapter 7, Part 20. Institutions and agents must comply with the current language of the Act and these rules. Many sections of the Act are so specific that the need for related rules is diminished or negated. ~~Institutions or agents must comply with the current language of the Act and these rules as the total administrative reference.~~
- (3) ~~Unless otherwise noted, general statements shall be in reference to institutions, businesses, services or any entity seeking, holding or required to hold a certificate of~~

~~authorization under the Act and these regulations.~~

Authority: T.C.A. §§ 49-7-2002 and 49-7-200544.

1540-01-02-.02 ROLE OF THE COMMISSION, EXECUTIVE DIRECTOR, COMMITTEE, AND COMMISSION STAFF.

- (1) Role of the Tennessee Higher Education Commission (THEC or Commission):
- (a) ~~The Tennessee Higher Education Commission at each quarterly meeting shall consider recommendations from the Commission staff and/or Postsecondary Education Institution Committee the Committee on Postsecondary Educational Institutions regarding all and the Division of Postsecondary State Authorization regarding authorizations, program approvals, awarding educational credentials (including authority to grant degrees) and any other matter at the request of the Commission's Executive Director.~~
- ~~(a) No institution may solicit, recruit, award credentials or operate as a postsecondary educational institution until such authorization is granted by affirmative vote of the Commission.~~
- (2) Role of the Tennessee Higher Education Commission Executive Director:
- (a) ~~The Executive Director is empowered to take any urgent action in furtherance of the Act, based on these rules and Act, necessary to conduct this consumer protection regulatory function, during the periods between authorization action meetings of the Commission meetings, subject to ratification by the Commission provided that:~~
- ~~1. the Executive Director shall givegives written notice of such action to the affected party;~~
 - ~~2. the Executive Director shall instructnotifies the affected party that they may notify the Commission within ten (10) business days ten (10) days if the aggrieved party desires a hearing and review by the Commission, and that otherwise the action shall be deemed final; and~~
 - ~~3. at the same time the Executive Director shall givegives written notice of the action to members of the Commission.~~
- (b) ~~Whenever the Commission authorization staff cannot resolve a complaint or a dispute involving the Act or to the administration of these rules, the Executive Director upon a written request from an aggrieved party which that in the view of the Executive Director is justifiable, will provide a review and/or hearing for parties involved prior to presentation of the unresolved complaint or dispute to the Commission.~~
- (c) ~~On the the advice of Commission staff of the Committee on Postsecondary Education Institutions, the Executive Director, in consultation with the Commission, in consultation with the Commission, is authorized to recommend the waiving of deadlines or these rules regulations developed pursuant to this Chapter, upon well documented extraordinary cause, where necessary to protect carry out the provisions of this part in the public interest, and when consistent with T.C.A. §§ 49-7-2001 et seq. the Act.~~

- (d) The Executive Director may exempt a program or activity from authorization or from compliance with a specific regulation-rule if such an exemption can be demonstrated to be in the public good or interest. Such exemptions should be temporary and narrow in scope and be subject to annual review.
- (e) The Executive Director is empowered to act in the following matters, subject to a hearing and review by the Commission upon the request of the aggrieved party in the manner provided by T.C.A. § 49-7-2010(b):
1. ~~A~~ assess fines under this Part the Act and these rules;
 2. ~~I~~ntervene to alter, place conditions on, suspend, or revoke, in full or in part, an institution's or agent's authorization to operate; and
 3. ~~I~~ssue temporary or, conditional, limited, or probationary authorization.
- (f) ~~Advise the Tennessee Student Assistance Corporation to notify the appropriate lending and guarantee agencies of the institution's closure.~~
- (3) Role of the Postsecondary Education Institution Committee ~~Committee~~ Committee on Postsecondary Educational Institutions (Committee):
- (a) ~~The Postsecondary Education Institution Committee~~ Committee shall meet quarterly or y or at other times on at the call of the Chairman of said the Committee, at the call of a majority of the Committee or pursuant to the call of the majority of Committee members, or at the call of the Chairman of the Commission to serve as an advisory committee to the Commission, and make recommendations on:
- (b) At meetings, the Committee may take any action delegated to it by the Commission pursuant to T.C.A. § 49-7-207, including, but not limited to, making recommendations on:
1. ~~all initial applications for temporary authorization;~~
 2. ~~all applications for regular authorization;~~
 3. ~~all applications for reauthorization;~~
 4. ~~the awarding of educational credentials~~ applications for program approvals;
 35. proposed rules; and
 4. consideration of such other matters relating to the Postsecondary Education Act at the request of the Commission's Executive Director;
- (c) The Committee, and, as needed, other experts appointed by the Executive Director, ~~shall~~ may participate in institutional site visits for purposes of evaluating compliance with ~~legislation and rules~~ the Act and these rules;
- (d) The Committee shall exercise such other powers and undertake such other obligations as are delegated to it by the Commission under the provisions of the

~~Act Part 20 of this chapter. Such delegations shall include the authority to initiate and conduct on-site institutional reviews and investigations and the formulation of rules of procedure and performance standards for authorization and institutional performance, which actions shall be subject to review, approval and/or disapproval by the Commission.~~

- (e) The Chairman of the Committee may appoint sub-committees as needed.
- (4) Role of the Commission Staff:
- ~~(a) Designated Commission staff members shall oversee and administer for purposes of compliance TCA §§ 49-7-2001 et seq. and the related Postsecondary Regulations chapter 1540-01-02.~~
 - (ab) **Beginning July 1, 1997**~~October 1, 2016~~, **the office and Commission staff responsible for oversight of the Act**~~TCA §§ 49-7-2001 et seq. and Rule Chapters 1540-01-02 and 1540-01-10~~ **the related Postsecondary Regulations chapter 1540-01-02 shall be officially referred to as the Tennessee Higher Education Commission, Office of Postsecondary School Authorization (Professional, Business, Vocational and Career) Division of Postsecondary State Authorization (DPSA).**
 - (eb) Commission staff shall perform site visits and/or audits to review, inspect, and investigate locations as necessary to ensure compliance with the Act and these rules, institutions seeking, holding or required to hold a certificate of authorization for verification of compliance. This includes but is not limited to Site visits or audits may be conducted at the discretion of Commission staff for reasons including, but not limited to, to initial authorization determinations for new institutions, program approvals, new program reviews, authorization inspections for nonexempt Tennessee institutions, follow up to written and signed complaints, investigations or adverse publicity compliance checks, or any situation that may adversely affect students or consumers people at the institution.
 - (ec) Commission staff shall investigate as necessary any activity believed to create a physical presence all non-authorized postsecondary educational activities operating in Tennessee to verify adherence to the Act and these rules by all institutions or to determine whether an exemption is appropriate not exempted by the Act.
 - (ed) Commission staff shall establish a deadline due dates for submission of all fees, applications, initial authorization packages, new program applications and any other materials to be included on the agenda for each quarterly meetings of the Postsecondary Committee. (Institutional Applications (1540-01-02-07)).
 - (fe) Commission staff may share with state or federal agencies information for on institutions seeking, holding, or required to hold a certificate of authorization be authorized by the Commission as well as any and unauthorized educational operations. Commission staff may provide state or federal agencies information pertaining to school closures under any condition. Share with appropriate accrediting bodies any adverse action recommended or taken by Commission staff, taken by the Executive Director, Committee, or Commission.
 - (f) Commission staff may recommend that the Executive Director take adverse

action as described in Rule .22 of these rules.

Authority: T.C.A. §§ 49-7-2004 and 49-7-2014.

1540-01-02-.03 DEFINITIONS.

- (1) ~~The following definitions are complementary to definitions in T.C.A. § 49-7-2003 and have the following meanings, unless the context clearly indicates otherwise:~~
- (a1) **"Ability-to-benefit" or "ATB" as used in these regulations, in contrast to the use of that term for federal financial aid or other purposes, means an adjective describes:**
- (a) ~~a students, regardless of financial condition, who do not possess~~ has not provided proof of receiving a high school diploma or GED or equivalency, but who has demonstrated by successfully passing an ability-to-benefit test that the student can possess the cognitive or physical skills needed to benefit profit materially or personally from a course or certain course of study certificate or diploma program; or
- (b) a test given by an authorized institution to determine whether a student possesses the cognitive or physical skills to benefit from a certificate or diploma program.
- (b2) **"Academic" as an adjective describing a degree in description of a program or institution means a degree that which is organized primarily for academic training or transfer.** Academic degrees include: Associate of Arts, Associate of Science, Bachelor of Arts, Bachelor of Business Administration, Bachelor of Science, Bachelor of Fine Arts, Master of Arts, Master of Science, Master of Fine Arts, Master of Business Administration, Doctor of Philosophy, Doctor of Psychology, and Doctor of Education.
- (3) "Accreditation" is a non-governmental, peer evaluation of educational institutions and programs by private educational associations of regional and national scope that have adopted criteria for educational programs and have developed procedures for evaluating institutions or programs. These criteria determine whether or not institutions or programs are operating at basic levels of quality. The Commission only recognizes accrediting agencies that are recognized by the U.S. Department of Education.
- (e4) **"Act" means the Tennessee Postsecondary Education Authorization Act of 1974 Higher Education Authorization Act of 2016, Tennessee Code Annotated T.C.A. §§ 49-7-2001, et seq., as amended.**
- (e5) **"Adverse action" means action taken by the Executive Director or Commission to penalize, fine, limit, change, suspend, or cause to cease activity that is in non-compliance with the Act and these rules.** Such adverse action may include but not be limited to includes fines of five hundred dollars (\$500) per violation per day; suspension of activity; conditional authorization, or revocation of authorization or approval.
- (e6) **"Agent" means a person employed full or part time by the institution, whether the institution is located within or without the state of Tennessee, to act as representative, solicitor, broker, or independent contractor to directly procure or induce people to become students or enrollees for the institution at an off-campus location any person representing a postsecondary educational institution for payment, who solicits in any form and enrolls, or seeks to enroll, a student for education offered by an authorized institution, or offers to award educational credentials, for remuneration, on behalf of any such institution.**

Persons owning an interest in an institution and the institution's full-time employees and directors shall not be considered agents under this part.

- (7) "Agent's permit" means a nontransferable written authorization issued to a person by Commission staff that allows that person to solicit, recruit, or enroll students for education in an authorized postsecondary educational institution.
- (8) "Articulation and transfer of credit agreement" means an arrangement between two (2) higher education institutions that is approved and signed by authorized institutional representatives and constructed by faculty in the discipline that (1) equates for transfer of a defined set or block of academic credits that will meet requirements of a specified program at a degree-awarding institution or (2) provides that a specific credential from one institution will meet the admission education requirement for a program leading to a higher credential at a second institution.
- (9) "Associate's degree" means a credential issued to students who complete a vocational or academic program or curriculum consisting of at least sixty (60) semester credit hours, or ninety (90) quarter credit hours of instruction, or the equivalent.
- (10g) "Authorization to operate" means approval of the Commission to operate or to contract to operate a postsecondary educational institution in this state as described in T.C.A. § 49-7-2007(1) – (3) or (5). Authorization to operate is permission or licensure to operate for a specified time at a specified place(s) location. Institutions shall not use an authorization to operate institution or agent awarded a letter or certificate of authorization in Tennessee shall not use terms to interpret the letter or certificate which specify or to connote greater approval than simple permission to operate. Terms which may not be used include, but are not limited to, "accredited," "supervised," "endorsed," and "recommended by the Commission."
- (11h) "Authorization site visit" means an institutional site visit conducted by Commission staff or Postsecondary a Committee members to verify a location or program is compliance with Postsecondary Education Authorization the Act and these rules of 1974, Tennessee Code Annotated §§ 49-7-2001, et seq. as amended and the chapter 1540-01-02 of the Postsecondary Regulations. The authorization visit is commonly called a 'site visit'.
- (12i) "Bachelor's degree" means a credential issued to students who complete a vocational or academic program or curriculum consisting of at least one hundred and twenty (120) semester credit hours, or one hundred and eighty (180) quarter hours, or the equivalent.
- (13) "Certificate program" generally means one (1) or more technical courses usually completed in one (1) to twenty-six (26) weeks, or up to and including five hundred (500) contact hours normally with a single skill objective.
- (k) "Certified" when used to modify audit refers to an audit in accordance with Generally Accepted Auditing Standards (GAAS) and in accordance with the auditing standards set forth in the book, "Government Auditing Standards" issued by the Comptroller of the United States (often referred to as the "yellow book" standards). If, However, the entity is required for other reasons to have conducted a certified audit in accordance with O.M.B., Circular A-133, such an audit shall be an acceptable substitute for the audit required pursuant to these regulations.
- (14) "Clock Hour" has the same meaning as contact hour.

- (15) **"Closed enrollment"** means instruction provided ~~between an educator or educational service to a group or business on a private contractual bases~~ by a postsecondary educational institution, whereby public solicitation does not occur and the instructional provider institution is given a list of enrollees to train at no cost to the students.
- (16) **"College"** means (1) a unit of a university offering specialized degrees or (2) a postsecondary educational institution offering courses of study leading to a degree. ~~traditional undergraduate college degrees. Some examples of traditional degrees are: Associate of Arts, Associate of Science, Bachelor of Arts, Bachelor of Science, and Bachelor of Fine Arts.~~
- (17) **"Commission"** means the Tennessee Higher Education Commission.
- (18) **"Committee"** means the Committee on Postsecondary Educational Institutions.
- (19) **"Completion rate"** shall have the same meaning as "graduation rate," and shall mean the number of completions as a percentage of the number of students not currently enrolled minus the number of withdrawals due to special circumstances, that is, Completion Rate = Number of Completions / (Number Not Currently Enrolled - Special Circumstance Withdrawals) × 100.
- (20) **"Contact hour"** ~~means a sixty (60) minute period of time that contains at least fifty (50) minutes of actual directed or supervised instructional time. (clock hour) refers to actual directed or supervised instructional time, not to be less than 50 minutes for every 60 minutes of time.~~
- (p) **"Credential"** ~~refers to educational credentials which include but are not limited to: certificates, diplomas, letters of designation, degrees, transcripts or any other papers generally taken to signify progress or completion of education / training at a postsecondary educational institution.~~
- (21) **"Degree"** means letters of designation or an educational credential or a title from a postsecondary educational institution with level program acceptable to and so authorized by the Commission and/or an accrediting body recognized by the U.S. Department of Education. Typically used in some form is the term 'associate', 'bachelor', 'masters', 'specialist', or 'doctor' in the credential designation.
- (22) **"Degree-granting postsecondary educational institution"** includes institutions offering education or training above the high school level and where the institution awards degrees, such as associate, bachelors, masters, specialist, or doctoral degrees.
- (23) **"Diploma program"** means a program of instruction offering technical and some basic course work. ~~Some General education or peripheral courses may be included. The~~ Program requirements shall generally range from more than five hundred (500) contact contact hours but to less than the contact requirements for the an Associates degree.
- (24) **"Distance learning"** means a system and process that connects learners with distributed learning resources through delivery systems at a distance such as correspondence, video tape, audio tape, telecommunications, computer resources, computer network system or an electronic delivery system, where there is physical separation of the instructor and student.
- (25) **"Division of Postsecondary State Authorization" or "DPSA"** means the office and

Commission staff responsible for oversight of the Act and Rule Chapters 1540-01-02 and 1540-01-10.

- (s26) **"Doctoral degree"** means a credential issued to students who complete a program consisting of a bachelor's degree plus at least ninety (90) semester hours of graduate credit, or one hundred and thirty-five (135) quarter hours of graduate credit, or the equivalent.
- (t27) **"Enrollment"** ~~refers to those students who have completed the institution's application forms, submitted a financial deposit where required, and~~ **have actually attended one (1) or more sessions of class, es, or, turned in one (1) assignment, or received one (1) distance learning lesson** ~~in the case of home study programs, received one or more lessons.~~
- (28) **"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.
- (u29) **"Educational service"** ~~means an individual or business established to provide services such as, but not limited to, a testing service, test preparation or a business that assists people in gaining academic credit for life experience, non-accredited courses or non-college training~~ means any class, course or program of training, instruction or study.
- (30) **"Federal student financial aid programs"** means any of the various loans or grants offered to students, parents, or institutions through Title IV of the Higher Education Opportunity Act, as amended.
- (v31) **"General education courses"** ~~means~~ are general education core or academic subjects intended to broaden communication/language skills, contribute to the intellectual growth of the student and give balance to the total program beyond the area of vocational or professional concentration.
- (w32) **"Independent certified public accountant"** means a CPA-certified public accountant not associated with the institution, or its owners, or its affiliated businesses, especially in such a way that a conflict of interest or appearance of conflict arises.
- (33) **"In-field placement rate"** means the Number Placed In-Field as a percentage of number placeable, that is, In-Field Placement Rate = Number Placed In-Field/Number Placeable × 100.
- (x) ~~"Institute" means a postsecondary institution offering courses of study and training not usually associated with traditional liberal arts degrees. Appropriate credentials awarded would include applied science degrees, certificates, and diplomas such as the Associate of Applied Science (A.A.S).~~
- (y34) **"Institutional director"** ~~means the institutional executive individual designated by the institution to assume responsibility for~~ ensuring that the conduct of the institution and its agents are within these rules and the Act ~~the Act and these rules. Further, the institutional director will serve as the official contact for all business conducted between the institution and the Commission and maintain complete authorization files.~~
- (35) **"License" or "Licensure"** includes similar terms, such as registration and certification, and means a designation from a subject matter expert state agency, board, or commission indicating that the recipient has met certain requirements for obtaining the designation.

for example, a licensed massage therapist or educator.

- (36) "Location" means an address that is zoned for commercial purposes for use as a postsecondary educational institution.
- (z) ~~"Long Distance Learning" means a system and process that connects learners with distributed learning resources through delivery systems at a distance such as correspondence, video tape, audio tape, telecommunications, computer resources, computer network system or an electronic delivery system, where there is physical separation of the instructor and student.~~
- (aa37) **"Master's degree" means a credential issued to students who complete a program consisting of a bachelor's degree plus at least thirty (30) semester credit hours, or forty-five (45) quarter credit hours, or the equivalent.**
- (38) "Non-degree-granting postsecondary educational institution" includes all postsecondary educational institutions that do not meet the definition of a degree-granting postsecondary educational institution. Non-degree granting postsecondary institutions are frequently referred to as "career," "vocational," or "technical" schools. Non-degree granting postsecondary educational institutions are institutions offering programs designed primarily for job entry or upgrading of skills and usually measured in contact hours. These programs typically prepare individuals for employment and do not require courses beyond those specific to the job or its field with program length sufficient to affect outcomes.
- (39) "Other fees" means fees, other than tuition, paid to the institution or third parties for products or services, including, but not limited to, fees paid for tangible goods, laboratory fees, technology fees, student activity fees, graduation fees, or fees paid for housing, meals, or transportation.
- (bb) ~~"Non-exempt institution" means all postsecondary institutions not specifically exempted under provisions of T.C.A. §49-7-2004 of the Act or Section 1540-01-02 .05 of these rules and means all instructional sites which must have separate authorization unless, in the view of the Commission, the instructional locations are in sufficient proximity for facilitation of support services and administration.~~
- (ee40) **"Out-of-state institution", as applied to describe means an authorized postsecondary educational institution, means an institution that maintains its primary campus in another state, but has a physical presence in Tennessee.**
- (41) "Ownership" means ownership of a controlling interest in the institution or in the event the institution is owned or controlled by a corporation or other legal entity other than a natural person or persons, ownership of a controlling interest in the legal entity owning or controlling the institution.
- (dd42) **"Physical presence" means actual presence within the state of Tennessee for the purpose of conducting activity related to: a postsecondary educational institution as given in T.C.A. § 49-7-2007; an educational service; dissemination of educational credentials; enrollment; solicitation or advertising. Physical presence as further outlined for purposes of authorization shall include but not be limited to:**
- 1.(a) operating ~~A~~an instructional site within the state;
- 2.(b) offering ~~h~~instruction within or originating from Tennessee designed to impart

knowledge with response utilizing teachers, trainers, counselors etc., or computer resources, or computer linking (e.g. internet), or any form of electronic telecommunications means;

- 3.(c) ~~Dissemination of granting~~ an educational credential from a location within the state;
- 4.(d) ~~using A~~an agent, recruiter, institution, or business that solicits for enrollment or credits or for the award of an educational credential; ~~or~~
- 5.(e) ~~A~~advertising, ~~disseminating,~~ promotional material or ~~conducting~~ public solicitation in any form that targets Tennessee residents or uses local advertising markets in the state for institutions seeking, holding, or required to hold a certificate of authorization ~~be authorized by the Commission.~~

(43) ~~"Placement rate" means the number placed as a percentage of the number placeable, that is, Placement Rate = Number Placed/Number Placeable × 100.~~

(ee44) ~~"Postsecondary educational institution" includes, but is not limited to, an academic, vocational, technical, online/distance learning, business, professional, or other school, college, or university, or other organization or person, offering educational credentials, or offering instruction or educational services primarily to persons who have completed or terminated their secondary education or who are beyond the age of compulsory high school attendance, for attainment of educational, professional, or vocational objectives, means an entity which maintains a place of business within Tennessee, or solicits business in Tennessee, and which offers or maintains a course or courses of instruction or study, or at which place of business such a course or courses of instruction or study are available through field instruction, classroom instruction or by long distance learning or both to a person or persons for the purpose of training or preparing the person for a field of endeavor in a business, trade, technical, service or industrial occupation, for a vocation, or for the award of an educational credential, except as excluded by the provisions of these rules and the Act.~~

(ff45) ~~"Quarter" is a period of instruction into which the academic year may be~~is divided. A quarter must consist of at least ~~ten (10)~~ weeks.

(gg46) ~~"Quarter credit hour" means a measurement of scholastic attainment earned by receipt of instruction for one (1) quarter of one (1) classroom lecture hour per week for one quarter, or two (2) hours of laboratory experience per week for one quarter, or three (3) hours of intern/externship experience per week, or the equivalent number of hours.~~

(47) ~~"Refundable fees" means any fees paid by or on behalf of the student to the institution but excluding fees paid for (1) tangible goods retained by the student or (2) services provided in full to the student.~~

(hh48) ~~"Residence-Residential course" means a course in which the student comes to an institution's~~sal campus or instructional site ~~authorized location as opposed to a course where the student stays at home (i.e. Long Distance Learning) and the instructor are in different locations.~~

(ii) ~~"SACS Commission on Colleges" means the Commission of the Southern Association of Colleges and Schools which accredits degree-granting postsecondary institutions.~~

(jj) ~~"School" means (1) A unit within a college or university that offers specialized instruction (i.e., a school of engineering). (2) An institution that offers specialized instruction in areas~~

~~(i.e., driving, modeling, basic travel training) not usually associated with college or university education. Appropriate credentials awarded would include certificates and/or diplomas. Institutions using the name of "school" do not usually offer degrees.~~

~~(kk49)~~ "Semester" is a period of instruction into which the academic year may be divided. A semester must consist of at least fifteen (15) weeks.

~~(#50)~~ "Semester credit hour" means a measurement of scholastic attainment earned by receipt of instruction during one (1) semester of one (1) classroom lecture hour per week for one semester or, two (2) hours of laboratory experience per week for a semester, or three (3) hours of intern/externship experience per week or the equivalent number of hours.

~~(mm51)~~ "Solicitation" means contact, written or verbal, on behalf of an institution for the purpose of supplying information in an attempt to enroll Tennessee residents, inducing or attempting to induce a resident of Tennessee to sign, at any off-campus location, an enrollment agreement to attend a postsecondary educational institution.

~~(52)~~ "Specialist Degree" means an advanced master's degree or post-master's degree with requirements less than those required for a doctoral degree.

~~(53)~~ "These rules" means all rules contained in Rule Chapter 1540-01-02.

~~(54)~~ "Time to completion" means the total number of days from a student's start date until the completion date.

~~(nn55)~~ "Tuition" shall mean but not be limited to, any money or fee involving the student, actually charged or tracked as a bookkeeping item for instruction / training provided. Pursuant to Rule 15(4) of these rules, all tuition charges must clearly indicate the period of enrollment for which the student is being charged, for example, if the program is a four (4) month program but the tuition charged is for one (1) month, the account statement might read "Tuition Charged for Month 1."

~~(56)~~ "Tuition guaranty fund" means the tuition guaranty fund created by T.C.A. § 49-7-2018 and the related rules in Rule Chapter 1710-01-02.

~~(oo57)~~ "Unearned tuition" means the dollar amount calculated pursuant to T.C.A. § 49-7-2018 and the related rules in Rule Chapter 1710-01-02 means at any given time, the total of refunds due former students, all tuition and fees that have or will be collected from students prior to graduation and which would be refundable pursuant to 1540-01-02, 17- of these rules, and any tuition and fees collected in advance from prospective students.

~~(pp58)~~ "University" means a postsecondary educational institution that provides facilities for teaching and research, offers traditional academic undergraduate and graduate degrees at the baccalaureate and higher level, and is organized into largely independent colleges or schools offering undergraduate, graduate, and/or professional programs. Some examples of traditional degrees are: Bachelor of Arts, Bachelor of Science, Bachelor of Fine Arts, Master of Arts, Master of Science, Master of Fine Arts, Master of Business Administration, Doctor of Philosophy, and Doctor of Education.

~~(qq59)~~ "Vocational" in the description of a program or institution means that which is organized primarily for job entry or upgrading of job skills that would result in a new job title or position and is not intended for academic transfer.

(60) "Withdrawal rate" means the number of withdrawals minus the number of withdrawals due to special circumstances as a percentage of program enrollment, that is, Withdrawal Rate = (Number of Withdrawals - Special Circumstance Withdrawals)/Program Enrollment x 100.

Authority: T.C.A. §§ 49-7-2003 and 49-7-2005

1540-01-02-.04 DETERMINATION FOR REQUIRED AUTHORIZATION.

- (1) No location of a postsecondary educational institution entity may create a physical presence advertise, solicit, recruit, enroll or operate a postsecondary educational institution as given in the Act and these regulations until so authorized for operation in the state unless the location is authorized by an affirmative vote of the Tennessee Higher Education Commission during a scheduled public meeting or is exempt. Authorization includes regular, temporary, and conditional authorization referred to in this Rule Chapter as well as optional expedited authorization referred to in Rule Chapter 1540-01-10.
- (2) ~~Depending upon the individual circumstance in reference to exemption categories, any of the following determining factors along with physical presence may qualify an operation for required authorization:~~
 - (a) ~~Operating under the definition of postsecondary educational institution as given in the Act and these regulations.~~
 - (b) ~~Issuance or award of any educational credential as given in TCA § 49-7-2003(7).~~
 - (c) ~~Fees and/or tuition charged, tracked or maintained on the books for instruction or training in a postsecondary educational institution or business operating as such.~~
- (3) ~~Businesses with vocational training programs that solicit or recruit students as 'employees' with phrases such as, but not limited to, "inexperience will train" or "experience not required" must provide all training related to that job at no cost to the individual. Payroll deductions, minimum employment periods as a result of a company's 'investment' in the employee, or fees levied if an individual leaves that employment, or similar practices, shall constitute a fee and/or tuition for training which requires authorization for the operation as a postsecondary educational institution.~~
- (4) ~~Institutions with a physical presence in Tennessee providing postsecondary training / education, that forward student records to another school or any other source whether in this state or elsewhere for the award of an degree or any other educational credential shall be required to be authorized for operation.~~
- (52) Commission staff may recommend that the Executive Director take adverse action against any unauthorized individuals, businesses, or institutions requiring authorization as a postsecondary educational institution determined by Commission staff to be currently operating as a postsecondary educational institution pursuant to the Act and these regulations and not expressly exempted by complete conformance to TCA § 49-7-2004 and/or Postsecondary Regulation 1540-01-02-.05 shall be subject to review by Commission staff for recommendation to the Executive Director for action or referral.
 - (a) Such entities authorized schools determined to be operating as a postsecondary educational institution must make an immediate good faith efforts toward compliance

~~by submitting an complete Initial Authorization Application or Optional Expedited Authorization Application, as provided in Rule Chapter 1540-01-10, and the applicable fee by the due date provided by Commission staff, package with appropriate fees. Failure to comply may result in adverse action and/or referral to other state or federal agencies for review.~~

~~(6) Institutions seeking authorization should refer to Minimum Authorization Standards and Requirements 1540-01-02-06.~~

Authority: T.C.A. §§ 49-7-2002, 49-7-2003, 49-7-2005, 49-7-2006, and 49-7-2011, 49-7-2022 and 49-7-2023.

1540-01-02-.05 ~~Exemption~~EXEMPTIONS.

(1) T.C.A. § 49-7-2004 of the Act includes general descriptions of institutions and programs that are exempt from the provisions of the Act and these rules. Institutions and programs meeting the specific provisions below shall be considered exempt pursuant to the general exemption descriptions of T.C.A. § 49-7-2004. In addition to institutions exempt by Tennessee Code Annotated, Chapter § 49-7-2004, the following institutions are exempt from the annual reporting and the provisions of these regulations:

(a) ~~any entities offering e~~Subject to subparagraph (b) of this rule, education, instruction or training that are is:

1. maintained or given by an employer or group of employers, for employees or for persons they anticipate employing at no cost to the individual without charge, which shall include taking a payroll deduction or requiring a minimum length of employment; or
2. maintained or given by a U.-S. Department of Labor or state recognized labor organization, without charge, (1) to its membership or apprentices, or (2) at no cost to the individual; or
3. financed and/or subsidized by public funds, at no cost to the individual without charge to the students, and having a closed enrollment; or
4. given under a contract agreement, having a closed enrollment, at no cost to the student at no cost to the individual, and does not offer degrees or educational credentials such as but not limited to diplomas or special certifications that in the opinion of the Commission Commission staff are specifically directed toward new or additional vocational, professional, or academic goals; or
5. given to a closed network of franchise owners and their employees at no cost to employees through a franchisor that does not advertise or provide its training to the general public and wherein such training is not the primary business of the franchisor.

(b) For purposes of subparagraph (a) of this rule, payroll deductions, minimum employment periods as a result of a company's investment in the employee, fees levied if an individual leaves that employment, or similar practices shall constitute cost to the individual, except that the employer may accept funds provided through a state or federal program that provides adequate institutional

and/or programmatic review as determined by Commission staff.

- (c) Programs, seminars, or workshops that are recreational or avocational, including, but not limited to, motivational or enrichment programs, as determined by Commission staff shall be considered exempt from authorization requirements. Upon review by Commission staff, a provider that presents the instruction in such a way as to suggest a vocational end may be required to become authorized or clarify through public advertising that the program, seminar, or workshop is in fact recreational or avocational.
- (d) Short-term programs, seminars, or workshops that are solely for professional enhancement as determined by Commission staff shall be considered exempt from authorization requirements. Education resulting in specialized certifications clearly used to denote technical, professional, or vocational proficiency toward an additional vocational goal or new job title must be authorized for operation.
- (e) Intensive review courses designed solely to prepare students for graduate or professional school entrance exams and professional licensure exams shall be considered exempt from authorization requirements. This exemption applies only when the review course is not designed to provide the initial training in the subject area.
- (f) Training designed to prepare students for credit-by-examination tests may be considered exempt from authorization requirements. The exemption is contingent on the entity's agreement to indicate in all promotional materials that the training is for test preparation for credit-by-examination tests and refrain from any misleading representations. Such misleading representations include:
 - 1. suggesting in any way that the training results in receipt of an educational credential, such as a degree;
 - 2. listing anticipated salary amounts; and
 - 3. suggesting that the entity is accredited.
- (g) Businesses offering limited computer training in hardware, software, delivery systems or any related technology for clients or customers directly related to a sale of equipment or services are exempt from the provisions of authorization.
- (h) Businesses offering short-term computer courses in common software or basic computer hardware that is intended for enrichment or professional enhancement are exempt from the provisions of authorization unless in the opinion of Commission staff the courses are offered concurrently toward a vocational goal.

~~(2) To operate within exemption status, the following guidelines shall be used:~~

- (a2) Any institutions or program that clearly qualify/qualifies as exemption under the Act and/or these regulations/these rules after Commission staff review shall be considered is exempt from authorization without a determination of the vote of the Commission. However, institutions can request that Commission staff issue a written determination of exemption for the institution as a whole or for any program. Commission staff can revoke or amend an exemption determination if the basis for the exemption changes or no longer exists

- (b) ~~Institutional exemption is subject to annual staff review and/or revocation any time the activity deviates from the original determination factors for exemption.~~
- (c) ~~Exemptions secured under this section of the rules are effective for each authorization year beginning on July 1, except as individuals or groups of institutions are notified prior to June 15 preceding any authorization year by a letter from the Executive Director of the Commission which shall state the bases for removal of any exemption.~~
- (d) ~~Exemptions can be revoked or amended by the Commission as they pertain to individual institutions whenever it is determined by the Commission that an institution exempted by the Act or these regulations has not acted in accordance to the purpose of T.C.A. § 49-7-2002, 'Legislative intent'.~~
- (3) Except as provided in paragraph (4) of this rule, to request a determination of exemption, institutions shall submit an Exemption Application along with a descriptive narrative explaining how the institution or program qualifies for an exemption. The application shall require a citation to the exemption provision relied on in the Act and these rules and documentation supporting the requested exemption such as: Institutions or educational providers seeking an exemption status (or not wanting to pursue authorization) that in the opinion of Commission staff do not clearly qualify under the exemption categories given in the Act and these rules will be required to complete an Exemption Request Form. The form shall include but not be limited to: copies of all institutional materials; brochures; advertising; state charter or business license; or organizational ties and/or contracts with other educational providers and a descriptive narrative of how the organization qualifies for exemption specifically citing the Act and/or rules. Upon receipt of an Exemption Application, Commission staff shall make a written determination and, if denied, provide a date by which an aggrieved institution may submit a request for further review by the Executive Director. Such date shall not be earlier than ten (10) business days after the date of the written determination.
- (4) Institutions that are exempt pursuant to T.C.A. § 49-7-2004(a)(6) shall submit the Information Request Form in order to obtain a determination of exemption.
- (a) ~~Based upon the submitted material Commission staff shall make a written determination of institutional status. If the institution is aggrieved by that determination, the party may appeal in the manner provided by Rule 1540-01-02-.02(2)(b) and T.C.A. § 49-7-2010(b).~~
- (5) If the institution is aggrieved by a determination concerning exemption status, the institution may seek review as provided for in Rule .02(2)(b) of these rules. Any request for review shall be in writing, signed, list each instance where Commission staff erred, and provide a detailed explanation of each alleged error with references to specific statutes or rules. Requests for review shall be received through hand delivery, mail, electronic mail or facsimile. A request may be denied if it is not received in a timely manner as set forth in paragraph (3) of this rule.

Authority: T.C.A. §§ 49-7-2002, 49-7-2003, 49-7-2004, 49-7-2005, 49-7-2006 and 49-7-2008.

1540-01-02-.06 MINIMUM AUTHORIZATION STANDARDS FOR AUTHORIZATION AND REQUIREMENTS.

- (1) (1) Institutions authorized to operate or seeking authorization to operate in Tennessee must meet the minimum requirements standards for authorization stated in the Act and these rules Tennessee Code Annotated § 49-7-2006 and as further defined in these regulations. Commission staff shall verify that an institution meets minimum

standards for authorization through review of applications, including, but not limited to, Initial Authorization Applications, New Program Applications, Program Revision Notification, School Personnel Applications, and Reauthorization Applications.

- ~~(2) — Meet the definition of a postsecondary educational institution as given in the Act and/or these postsecondary regulations.~~
- ~~(3) — Have physical presence in the state as given in these regulations.~~
- ~~(4) — Establish a charter or business license in the state of Tennessee for the proposed institution.~~
- ~~(5) — Financial stability to start up and initially operate a postsecondary educational institution demonstrated through a certified audit or statement acceptable to the Commission of the resources to be utilized in the school.~~
- ~~(6) — Ability to secure an institutional surety bond or like security described in rule 1540-01-02-07(7).~~
- ~~(7) — Have an educational program(s) consistent with standards in Tennessee for length, content and quality for the educational credential offered in compliance with the Act and these regulations.~~
- ~~(8) — All programs must include training and substantive content to attain outcomes stated as the program purpose and mission of the institution.~~
- ~~(9) — No principal party, owner or administrator involved with the proposed institution has ever been associated with a postsecondary educational institution that ceased operation with resulting loss of time or money for enrollees or had institutional authorization to operate in a state revoked or had a felony conviction involving moral turpitude, fraud or a capital crime.~~
- ~~(10) — Before an institution is granted temporary authorization, the following requirements and standards required of an approved school must be met in preauthorization and maintained operationally.
 - ~~(a) — Complete all required initial authorization materials in package provided by the Commission staff with payment of all corresponding fees.~~
 - ~~(b) — Verification of a stable physical presence and/or a physical site acceptable to the Commission and these rules.~~
 - ~~(c) — Establish and maintain all Operational and Administration Standards, such as educational, financial, admissions, enrollment, instructor, etc., as given in these rules.~~
 - ~~(d) — New or revised programs must conform with all requirements given in these rules under New Program or Change in Program.~~
 - ~~(e) — Compliance for each of the educational credential(s) offered by the applicant institution, with requirements as given under Non Degree Granting Institutions or Degree Granting Institutions.~~~~
- ~~(f) — Demonstrate compliance for branch sites or expansion of programs by prior approval or prior notification with the institution's accrediting body wherever necessary to be consistent with the~~

requirements of the accrediting body and the federal regulations.

(442) ~~No out-of-state institution will be considered for authorization if it is not authorized in the state where it is primarily located.~~

~~(12) Any institution based primarily outside of Tennessee which proposes to set up a branch in Tennessee and is not accredited by an agency recognized by the Commission must forward reasons why resources would not best be spent on accreditation at current site. (3) In relation to the size and scope of the institution, it shall furnish adequate student services and resources to fulfill the mission and claims of the institution. Such services must have staff available to students with the knowledge and skills in areas such as: academic standing and satisfactory progress, admissions, employment opportunities or placement, intern/externships, library, and financial aid.~~

~~(4) Administrative capability must be demonstrated in the daily operational standards at the institution. Administrative capability is the ongoing effective operation of the institution such that the institution is able to comply with and, as applicable, coordinate federal, state and accreditation requirements in a positive and educationally enriching environment to the benefit of students. Indicators of a breakdown of administrative capability include: reoccurring violations in the same area, numerous student complaints during the year, failure to correct compliance issues, frequent or sudden turnover in faculty or staff, or multiple findings in several different areas.~~

~~(13) An exception to any part of the Minimum Authorization Standards must be reviewed on an individual basis by the Commission.~~

(445) School Institution Name:

(a) An institution's name may not duplicate another institution name or mislead potential students in violation of fair consumer practices or suggest guaranteed employment, completion, or other outcomes.

~~(b) No postsecondary educational institution under the Act and these rules may not use the word "university" in their name unless the school institution meets the definition of university in these rules and has been so approved by a regional accrediting body so recognized by the U.-S. Department of Education.~~

~~(bc) No postsecondary educational institution under the Act and these rules may use the word "college" in its name without a qualifier if the institution:~~

~~1. it meets the definition of college as set forth in these rules;~~

~~2. has been approved by an accrediting body recognized by the U.S. Department of Education to offer degree level programs; and~~

~~3. offers or is seeking approval to offer at least one (1) degree program.~~

~~(d) An unaccredited or non-degree granting postsecondary educational institution may use the word college in its name as long as the name contains name unless the school has been so approved by a regional accrediting body recognized by the U. S. Department of Education, or uses an appropriate qualifier along with the word "college", such as "career", "vocational", or Bible. For institutions authorized after October 1, 2016 "business", "technical", "art" etc., the qualifier shall precede the word college, or in the case of a religious institution, "Bible"~~

or a denominational term.

- (c) ~~All institutions authorized after July 1, 1997 using "college" in accordance with item 14(b) above, must achieve regional or national accreditation from an accrediting body recognized by the U. S. Department of Education in a timely manner while demonstrating consistent good faith efforts toward achieving that goal.~~
- ~~1. New institutions authorized after July 1, 1997 that demonstrate in the application process, that the school is capable by program length, content, adequate physical site and administrative capability of achieving accreditation, may initially use "college" in the institutional title as outlined in 1540-01-02-.06(14)(b) above.~~
 - ~~2. Institutions may use "Junior College" as a qualifier in the name of the institution provided that the institution has a current articulation agreement with a regionally accredited college or university. Loss of the articulation agreement will require removal of "Junior" as a qualifier, to be replaced on a schedule agreeable to the Commission with an institutional name in compliance with these rules.~~
 - ~~3. Institutions that fail to make good faith efforts toward accreditation or achieve accreditation in a timely manner shall be required to remove "college" from the institutional title.~~
 - ~~4. The Executive Director may consider an exception to 1540-01-02-.06(14)(a), (b) given above for special or unique circumstances. Institutional waivers will be null and void with a change in ownership.~~

Authority: T.C.A. §§ 49-7-2002, 49-7-2004, 49-7-2005, 49-7-2006, 49-7-2007, 49-7-2008.

1540-01-02-.07 INSTITUTIONAL APPLICATIONS.

- (1) Application deadline due dates and deferrals:
- (a) For each quarterly meeting of the Committee, Commission staff shall establish a due date that is no more than ninety (90) days before the date of the meeting. Unless stated by Commission staff, the established due date shall apply to Initial Authorization Applications, New Program Applications, and Reauthorization Applications. Applications shall be received at the Commission on the due date. Applications received after that date will be deemed late and may be deferred to the next due date.
 - (b) An application submitted without the appropriate fee will be considered incomplete and will not be reviewed until all applicable fees are received. In any event, Commission staff may defer the application to the next due date.
 - (c) Further, an **incomplete** submissions application is an application that is missing any information or contains noncompliant information. Commission staff as given below in Authorization - What Constitutes a Complete Application, or applications submitted after the established deadline may be **defer** consideration of the application **red to the next** quarterly meeting due date at the discretion of staff.

~~(d) If an application is deferred, the institution shall have until the next established due date to complete the application.~~

~~(be) An application can be deferred either by the institution or Commission staff a total of two (2) times. After the second deferral, the application will be deemed withdrawn if the institution does not submit a completed application by the next due date. s that voluntarily or involuntarily defer an application before the Committee will have two additional Committee/Commission meetings to complete, correct and/or submit the application by that established deadline date. Failure to complete the application process in the established time extension will require a new application and loss of all previously paid fees.~~

~~4. Exceptions must be requested in writing and granted by the Executive Director.~~

~~(2) Initial Authorization Application: Authorization—What Constitutes a Complete Application:~~

~~(a) Institutions must demonstrate through the Initial Authorization Application that the institution meets minimum standards for authorization as provided for in the Act and these rules. Prior to operation, which includes advertising, recruitment and solicitation, institutions seeking or required to hold an authorization must submit on forms provided by the Commission, a completed The application which shall include require at least the following a minimum:~~

- ~~1. a title or name of the institution that complies in compliance with the Act and these rules;~~
- ~~2. a copy of the Tennessee state charter as filed with the Secretary of State (incorporated) or local business license (sole proprietorship);~~
- ~~2. evidence of a business account with a financial institution that is federally insured in said institution's name;~~
- ~~3. a description of the ownership of the institution, including names and contact information for owners or board of director members, percentage of ownership, and, when applicable, a corporate flowchart showing the institution's position in relationship to all affiliated corporate entities ownership and/or controlling officers;~~
- ~~4. the address and general description of facilities such that a determination can be made that the institution has adequate space, equipment, and instructional material to provide education of good quality;~~
- ~~5. evidence demonstrating that the location is commercially zoned and that possession of the location is stable such that the institution will be able to use the location for a minimum of one (1) year from the date of application. Month-to-month leases are not acceptable;~~
- ~~5. list of instructional equipment for each program (owned or leased);~~
- ~~6. qualifications for instructional staff and supervisors;~~
- ~~7. designation of and contact information for an institutional director for each location and an affirmation from the director that he or she will conduct the institution in accordance with the Act and rules site-responsible for authorization contracts and maintenance of records and~~

~~all other duties as described under Personnel and Instructor Qualifications (1540-01-02-.16);~~

8. a description definition of any administrative structure above the institutional director with the signature of the official that will notify the Commission if the director is replaced;
9. ~~a check or money order payable to the State Treasurer for Tennessee for such fees as prescribed under these rules;~~
409. a continuous institutional surety bond as described by rule 1540-01-02-.07 or as prescribed by T.C.A. §49-7-2013;
4410. a copy of the enrollment contract or agreement described in these regulations the institution will use following receipt of authorization;
4211. a copy of the pre-enrollment checklist the institution will use following receipt of authorization Enrollment Disclosure Standards (1540-01-02-.13) checklist if not incorporated within the enrollment agreement (contract);
13. ~~information pertaining to institutional facilities ownership, length of any lease and time in present quarters. Information must include total square feet, available floor space for conducting programs, and subtotals for classrooms, offices, and library space (with number of volumes held). Instructional equipment (specify owned or leased) must be listed and described. Current verification of fire and sanitation inspections of educational facilities (and student housing owned by institution) must be filed as described in 1540-01-02-.07 of these rules;~~
4412. a draft or copy of the institutional catalog the institution will use following receipt of authorization (see 1540-01-02-.44);
13. a copy of the student transfer of credit disclosure statement required by T.C.A. § 49-7-144.
15. ~~a complete description of the proposed educational programs in compliance with the Act and these rules;~~
16. ~~a complete syllabus for each course proposed that demonstrates sufficient content and depth for the proposed level of the program and credential offered;~~
4714. any specific requirements as outlined under degree granting and/or non-degree granting sections of these regulations Rule .08 of these rules;
15. affirmation that the institution is maintained and operated in compliance with all pertinent ordinances and laws, including, but not limited to, rules and regulations adopted pursuant to ordinances and laws relative to the safety and health of all persons upon the premises;
4816. if participating in Title IV federal student financial aid programs,

- (i) the institution's Office of Postsecondary Education Identification (OPEID) number;
- (ii) the most recently calculated three-year official cohort default rate from the Office of Federal Student Aid of the U.S. Department of Education; and
- (iii) documentation demonstrating that the institution is currently maintaining financial standards and institutional stability deemed acceptable for eligibility in Title IV federal student financial aid programs. Documentation shall include at a minimum:
 - (I) the most recent independent audit completed, in part, for purposes of calculating the institution's federal financial composite score as described in 34 C.F.R. § 668.172; and
 - (II) any correspondence issued in the past twenty-four (24) months from the Federal Student Aid Office of the U.S. Department of Education concerning eligibility for financial aid, including, but not limited to, financial ratios, a letter of credit alternative, or a provisional certification alternative as well as any related correspondence from the institution; a copy of the most recent audits or program reviews of such programs by any applicable non-profit, state or federal agencies, including, but not limited to, any student guarantee agency and the United States Department of Education;

19. ~~evidence of institutional financial stability as follows:~~

17. provide financial statements as follows:

- (i) as to institutions that are not currently operating a location,
 - (I) a year-to-date balance sheet that demonstrates resources adequate to fund facilities maintenance and overhead, staff and faculty payroll, books, supplies or equipment utilized by students, and general operating costs for a minimum of ninety (90) days and
 - (II) pro forma income statements demonstrating that the location for which authorization is being sought will within the first three (3) years following receipt of initial authorization meet the ratios described in Rule .14(6)(e) of these rules; or
- (ii) as to institutions that are operating a location,
 - (I) current financial statement with a balance sheet that demonstrates resources adequate to fund facilities maintenance and overhead, staff and faculty payroll, books, supplies or equipment utilized by students, and general operating costs for a minimum of ninety (90) days and

(II) pro forma income statements demonstrating that the location for which authorization is being sought will within the first three (3) years following receipt of initial authorization meet the ratios described in Rule 14(6)(e) of these rules and financial statements of all owners; and

18. such other information or clarification deemed necessary by Commission staff.

(i) ~~sufficient finances to establish and conduct proposed operation;~~

(ii) ~~audited financial statements consistent with generally accepted accounting principles and signed by a certified public accountant not associated with the institution or its owners;~~

20. ~~the balance sheet in the financial statement must reflect owner's (proprietorship, partnership, corporation, other, etc.) assets and liabilities.~~

(3) ~~Each application for a certificate of authorization or change of ownership must be signed by the applicant and signature(s) must correspond with required names on surety bonds. If the applicant is a partnership, all partners must sign. If the applicant is a corporation, it must be signed and certified by the president and secretary; all officers of the corporation must be listed.~~

(4b) **A separate application for authorization, which is site specific, must be made for each location located outside of reasonable walking distance from a previously authorized location from the main site. The Commission staff Commission staff may make reasonable exceptions for narrow purpose, highly structured programs at multiple locations where, in view of the Commission, administrative requirements are limited and precise.**

(5) ~~The applicant institutional director must sign and date, on forms provided by the Commission, the director's intention to:~~

(a) ~~conduct the institution in accordance with the Act and rules established by the Commission;~~

(b) ~~advertise or solicit using institutional employees familiar with these rules;~~

(c) ~~advise the Commission within a reasonable time in advance if the controlling officers change or the school ceases operation;~~

(d) ~~notify the Commission of staff changes by forwarding staff information forms for new staff and informational letter for staff terminations;~~

(e) ~~advise the Commission of any application to operate in another state (Tennessee institutions only);~~

(f) ~~sign significant operational documents (such as those vouching for accuracy of staff information, moral character, program revisions, etc.); and~~

(g) ~~forward, if participating in federal financial aid programs, a copy of each audit of such programs by applicable state and federal agencies, applicable non-profit,~~

~~state or federal agencies, including, but not limited to, the Tennessee Student Assistance Corporation and the United States Department of Education.~~

~~(6) Bond Requirements for Institutions:~~

~~(a) Institutions not exempted from surety bond provisions, must on forms provided by the Commission, secure for student indemnification purposes, from an insurance company licensed in Tennessee, a surety bond for the penal sum of \$10,000 for in-state institution and \$20,000 for out-of-state education institution, including branch campuses as specified in T.C.A. 49-7-2013, except as follows:~~

~~1. In-state institutions with substantially less unearned tuition or student exposure than \$10,000 may post a surety bond equal to 125% of the maximum unearned tuition or student exposure rounded upward to the nearest thousand dollars (prior written administrative agreement by the Commission staff is required).~~

~~(7) Out of state institutions must, on forms provided by the Commission, secure a surety bond for agents in the penal sum of \$5,000 per agent from a surety company authorized to do business in Tennessee with the applicant institution as principal. Such applications must be accompanied by verification by the issuing agency that the individual seeking a permit is covered by a \$5,000 surety bond.~~

~~(8) Bonds provided by institutions under Section 1540-01-02-07(7) must be accompanied by the name, office address, and phone number of the issuing insurance company representative and the bond must be site specific.~~

~~(9) Bonds provided by institutions under Section 1540-01-02-07(7) must be identified on the top half of the first page by the name and the address of the institution. Bonds and verification of bonds should be forwarded to the Commission by institutional directors, and not directly from issuing companies.~~

~~(10) Certificates of deposit or a cash deposit with a bank may be accepted in lieu of the bond with approval of the Commission staff. Such deposits are subject to the same terms and conditions provided for in the surety bond requirement under this regulation.~~

~~(11) Fire and Sanitation Inspections:~~

~~(a) Applicant institutions must secure, from appropriate local agencies, documentation that fire and sanitation codes are met by the proposed instructional facilities. If such inspections are unavailable, the institution must present a copy of a recent letter from the local inspection agency indicating that such inspections are unavailable.~~

~~(b) Tennessee institutions seeking initial authorization and renewal must maintain documentation in their authorization records that a fire and sanitation inspection has been successfully passed during the past twelve months and, further, the institution must notify the Commission of the most recent inspection dates as part of the renewal application. If such inspections are unavailable, the institution must present a copy of a recent letter from the local inspection agency indicating that such inspections are unavailable.~~

~~(c) Out-of-state institutions must forward to the Commission a copy of fire and sanitation inspection reports and these reports must be made at least every twelve months.~~

~~(d) Commission staff may seek supplemental fire and/or sanitation reports from appropriate local or state agencies.~~

~~(3) Reauthorization Application:~~

~~(a) Effective January 1, 2018, institutions with regular, temporary, or conditional authorization shall file a reauthorization application by the due date for the Committee meeting that is approximately one (1) year from the institution's initial authorization date. In order to efficiently transition to this process in 2017, Commission staff will post on its website by October 3, 2016, a schedule for institutions to follow in 2017 to obtain reauthorization prior to the current authorization expiration date of June 30, 2017. If necessary to effectuate the transition, the Executive Director may extend an institution's authorization.~~

~~(b) Institutions must demonstrate through the Reauthorization Application that the institution continues to meet the minimum standards for authorization as provided for in the Act and these rules. The application shall require at a minimum:~~

- ~~1. updates to information previously submitted as part of other applications;~~
- ~~2. information related to required student enrollment documentation, such as enrollment agreements and disclosures;~~
- ~~3. financial statements for the most recent institutional fiscal year as given under Rule .14 of these rules;~~
- ~~4. a list of institutional personnel;~~
- ~~5. funding data for students enrolled during the reporting year, including, but not limited to, the amount of self-pay and state or federal aid program funds;~~
- ~~6. student data related to licensure examination passage rates as further explained in Rule .08(4) of these rules;~~
- ~~7. statistical data as described in Rule .27 of these rules; and~~
- ~~8. such other information or clarification deemed necessary by Commission staff.~~

~~(124) New Ownership / Change in Ownership Application:~~

~~(a) Authorization to operate cannot be transferred.~~

~~(b) The sale or transfer of an ownership interest after the death of an owner of an institution to either an approved partner or current stockholder of the corporation is not considered a change in ownership. The Executive Director may determine that other similar transfers should also be excluded from these requirements.~~

~~(c) In the event of a change of ownership, as defined in Rule .03(41) of these rules, the new owner or governing body must submit to Commission staff within ten (10) business days after the change in ownership is finalized.~~

1. a Change of Ownership Application and
2. a request that the Executive Director grant the new owner or governing body conditional authorization to operate until the new owner or governing body obtains temporary authorization.

The following constitutes new ownership:

1. ~~in the case of ownership by an individual, when more than 50% of the institution has been sold or transferred;~~
2. ~~in the case of ownership by a partnership or a corporation, when more than 50% of the institution or of the owning partnership or corporation has been sold or transferred;~~
3. ~~when the board of directors, officers, shareholders, or similar governing body has been changed to such an extent as to significantly alter the management and control of the institution.~~

(bd) ~~A person or persons purchasing~~The new owner or governing body shall submit an Initial Authorization Application by the first quarterly filing due date after filing the Change of Ownership Application.~~an institution authorized to operate shall comply with all the requirements for securing an initial, new authorization including new program applications for each program.~~

(e) ~~The Change of Ownership Application shall~~In addition, a copy of the~~require that the new owner or governing body provide the~~**sales contract(s), bill(s) of sale, deed(s), or**~~and all other instruments documents necessary to transfer ownership of the institution shall be submitted to the Commission.~~

(c) ~~In the event of a change of ownership, a new owner or governing body must notify the Commission within 10 days after the change in ownership and request from the Executive Director conditional authorization to operate until temporary authorization can be acquired under standard established procedure by recommendation of the Committee for Postsecondary Educational Institutions and affirmative vote of the Commission.~~

(d) ~~The sale or transfer of ownership interest after the death of an owner of an institution to either a family member or a current stockholder of the corporation is not considered a change in ownership, and the executive director may determine that other transfers should also be excluded from these requirements.~~

(435) New Program or Change in Program Application and Program Revision Notification:

(a) ~~Vocational program names and objectives must generally coincide with or be equated with the Dictionary of Occupational Titles published by the U.S. Department of Labor and/or the Classification of Instructional Programs published by the U.S. Office of Education, National Center for Education Statistics.~~

(b) ~~New institutions proposing to offer programs similar to those conducted by Tennessee institutions under the Tennessee desegregation plan must submit a description of the anticipated effect of the proposal on the racial composition of higher education institutions in Tennessee.~~

- (ea) In order to offer a program, an institution must submit a New Program Application either along with an Initial Authorization Application or, for previously authorized institutions, as a stand-alone application. Program approval by the Commission is required prior to offering the program, which includes enrolling, advertising, recruiting or soliciting. Applications must be received by the quarterly due date established by Commission staff.

~~New institutions must submit a rationale with supporting data to justify initiation of programs proposed.~~

- (b) The New Program Application shall include at a minimum:

1. general program information, such as the program name, proposed start date, anticipated initial enrollment, itemized tuition and other fees, delivery mode, length, number of credits or contact hours, and accreditation status. When program lengths exceed standard times or program periods established by these rules, the institution must justify expansion of training in terms of exceptional student benefits;
2. designation of the credential awarded which conforms to the requirement that no institution may offer instruction leading to an academic degree unless the institution is approved by a regional accrediting body recognized by the U.S. Department of Education. An exception may be approved by the Executive Director upon recommendation of Commission staff. Any request for exception shall be made in writing and include proof of the following:
 - (i) the institution is accredited by an U.S. Department of Education approved accreditor for the specific degree type; the program is accredited by the appropriate accrediting agency if such accreditation is necessary for employment in or licensure by the state; and the institution has articulation and transfer of credit agreements with two (2) regionally accredited institutions both having a physical location in the Southeast region; or
 - (ii) special or unique circumstances.
3. if applicable, evidence of approval from any subject matter expert state agency, board, or commission;
4. a program overview;
5. syllabi for courses or, for short programs, an outline and description of the training;
6. a job title and the associated Classification of Institutional Programs (CIP) code applicable to the job title;
7. the most currently available entry level salary or wage data for those CIP codes from a Tennessee or federal website;
8. admission criteria;
9. instructor qualifications and, when applicable, School Personnel Applications;

10. library holdings and in-house resources available to students related to the program;
 11. a list of training equipment, indicating whether the equipment is owned or leased;
 12. a description of how this program is consistent with the institution's mission;
 13. a description of how the institution is structured (administration, staff and resources) to ensure educational quality;
 14. if applicable, a list of all clinical or externships sites with a copy of an affiliation agreement with each site;
 15. The maximum pupil to teacher ratio for each course. Acceptable ratios, without special permission from the Commission, are as follows:
 - (i) lecture: 40-1;
 - (ii) allied health and nursing labs: 20-1;
 - (iii) class A truck cab: 4:1; and
 - (iv) class B truck cab: 2:1.
 16. if applicable, distance learning specific information, such as:
 - (i) a mock password so that Commission staff can navigate through the online system used for instruction;
 - (ii) an explanation as to how educational goals and overall program goals are achievable through distance learning; and
 - (iii) an explanation as to how graduates of the program will exhibit skills and knowledge equivalent to similar residential programs; and
 17. such other information or clarification deemed necessary by Commission staff.
- (d) ~~Authorized institutions must submit to the Commission a supplementary application if additional programs are proposed during any authorization year and the program must be authorized prior to operation, which includes advertising or solicitation. Applications must be received by the quarterly deadline established by Commission staff to be included on the ensuing Committee and Commission agenda.~~
- (ec) When an Ongoing institutions that make changes revises to an existing program(s) **approved** program by the Commission must file a , then the institution must seek approval from Commission staff by submitting a Program Revision Notification at least thirty (30) days prior to implementing the revision. If New Program Application if the program changes revision amounts to change of more than exceed twenty-five percent (25%) in one calendar year the

~~last twelve (12) months; or if in the opinion of staff Commission staff determines a significant change-revision has occurred, then the institution must submit a New Program Application prior to implementing the revision. Changes of less than 25% should be reported by letter as a file item to the Commission detailing changes made. All changes must be reflected in the institutional catalog.~~

~~(fd) Institutions shall not arbitrarily add a course or courses to an existing program in which a student would incur additional time and/or expense beyond the catalog requirements at the time of enrollment, unless the addition is in response to:~~

- ~~1. demonstrated educational necessity;~~
- ~~2. a reasonable program completion period had elapsed;~~
- ~~3. state approval agencies requirements;~~
- ~~4. U.S. Department of Education recognized accrediting-accreditor agencies requirements; or for~~
- ~~5. requirements of professional licensure requirements/certifications or licenses.~~

~~Under approval conditions~~In any event, the institution shall provide written notification to the Commission/Commission staff and give adequate notice to all students affected prior to any change.

(446) New Location / Change of Address/Location Application:

(a) Absent extraordinary circumstances, an authorized institution shall submit a Change of Location Application thirty (30) days prior to moving. An example of an extraordinary circumstance is the unexpected loss of a lease.

(b) The Change of Location Application shall include at a minimum:

1. the address and general description of facilities such that a determination can be made that the institution has adequate space, equipment, and instructional material to provide education of good quality;
2. evidence demonstrating that the location is commercially zoned and that possession of the location is stable such that the institution will be able to use the location for a minimum of one (1) year from the date of application. Month-to-month leases are not acceptable;
3. affirmation that the institution is maintained and operated in compliance with all pertinent ordinances and laws including, but not limited to, rules and regulations adopted pursuant to ordinances and laws, relative to the safety and health of all persons upon the premises; and
4. such other information or clarification deemed necessary by Commission staff.

~~An application from an authorized institution to reflect a new location shall be filed and include all documents designated by the Executive Director as being necessary with the appropriate fee. Documents shall include but not necessarily limited to: (1) evidence of satisfactory health-~~

~~inspection, (2) evidence of satisfactory fire inspection, (3) all physical material and building requirements given under Initial Authorization.~~

~~(c) Commission staff shall approve the application after it determines that the application is complete and conducts a successful site visit. Approval may be issued after the new facilities have been inspected and the application is complete.~~

~~(d) If a move is beyond ten (10) miles and a student is prevented from completing the training at the new location as determined by the Executive Director, a full refund of all moneys paid and a release from all obligations will be given to the student or loan holder.~~

(7) School Personnel Application:

(a) Authorized Institutions must provide and maintain qualified faculty and staff in order to fulfill the mission of the institution and all obligations to the students. Qualifications must be submitted to Commission staff on a School Personnel Application no later than ten (10) business days after the hire date.

1. Unaccredited institutions must submit to Commission staff School Personnel Applications for all instructors and administrative personnel as that term is defined in subparagraph (7)(b) of this rule.

2. Institutions accredited by an accrediting body recognized by the U.S. Department of Education must submit to Commission staff School Personnel Applications for all administrative personnel as that term is defined in subparagraph (7)(b) of this rule. For each instructor, an accredited institution shall maintain on-site documentation that demonstrates the minimum qualifications and must submit such documentation and a School Personnel Application at any time upon request from Commission staff.

(b) Administrative personnel are individuals that oversee areas as outlined in operational and administrative standards. This includes by function, but is not limited to titles of an institutional director; financial aid administrator; director of admissions; director of education; business officer or manager; director of student services (including counseling and placement) and the registrar. Support and clerical staff is not included as administrative personnel.

(8) Agent Permit Application:

(a) Agents must submit an Agent Permit Application, as provided by Commission staff, and must receive approval and an agent permit from Commission staff prior to any solicitation. The application shall include at a minimum:

1. general contact information for the agent;

2. recommendations by two (2) reputable persons certifying that the applicant is of good character and reputation;

3. a surety bond as specified in Rule .09 of these rules; and

4. certification by the institution director that the applicant will be directed to act in accordance with the Act and these rules.

- (b) Agent permits must be renewed every year. The expiration date of a permit is one (1) year from the date of issue or immediately upon termination of employment whichever occurs first.
- (c) Agents must have separate permits to represent separate institutions unless the institutions have common ownership such that the institutions present a common name to the public and have the same mission. Mutual agreement by institutions is required.
- (d) All agents must verify by signature that they have read and are familiar with rules on advertising and solicitation and must verify intent to follow rules as set forth in Fair Consumer Practices.

(9) Institution Name Change Application:

- (a) An authorized institution shall submit an Institution Name Change Application thirty (30) days prior to changing the institution's name unless the name change is the result of a change of ownership. In the case of a change of ownership, the authorized institution shall submit a Change of Ownership Application.
- (b) The Institution Name Change Application shall include at a minimum:
 1. updated contact information;
 2. a proposed new name of the institution that is compliant with these rules;
 3. updated surety bond information;
 4. an updated copy of the pre-enrollment checklist, enrollment agreement, and catalog; and
 5. such other information or clarification deemed necessary by Commission staff.

Authority: T.C.A. §§ 49-7-2005, 49-7-2006, 49-7-2007, 49-7-2008 and 49-7-2013.

1540-01-02-08 1540-01-02-08 REGULATIONS FOR SPECIFIC School Types INSTITUTIONS AND PROGRAMS.

(1) General:

- (a) Institutions offering programs of legal interest to other state agencies must, if directed by the Commission, provide information necessary for the dual review of the program. (For example, any institution proposing a teacher education program for the purpose of teacher licensure must also be reviewed by the State Board of Education).
- (b) Authorized institutions that promote, advertise or use prepared materials of any entity that offers vocational / professional certifications (that are not part of the school's authorized educational credential) or certification exams, (e.g. national certifying exam for Phlebotomy) must demonstrate to the Commission clear benefit to the students prior to usage. The Commission upon review may rule to:
 1. allow promotion and usage because of benefits to the student;

2. ~~allow promotion and usage but with clear disclosure to the students with language such as, 'this certification is voluntary and is not required for employment in the state of Tennessee' or 'this certification is voluntary and is not necessarily used as a standard of recognition for employment within the industry;~~

3. ~~deny usage. (see Prohibitive Acts 1540-01-02-18).~~

(c) ~~Unauthorized institutions that promote, advertise or use prepared materials of any entity that offers vocational/professional certifications may be required to become authorized for such activity.~~

(d) ~~Institutions must adhere to all copyright laws and observe intellectual property rights in conducting the school.~~

1. ~~Using video tapes or other forms of telecommunication as a large portion of the contact hours in a program or on a per class basis for the purpose of granting educational credit, must have implied consent by purchase or the written consent of that instructor and/or the institution that produced the educational material, prior to incorporating them into the curriculum.~~

(2) ~~Non Degree Granting Institutions:~~

(a) ~~Non-degree programs which are designed primarily for job entry or upgrading of skills must be described in clock (contact) hours.~~

(b) ~~Non-degree programs typically prepare individuals for employment and do not require courses beyond those specific to the job or its field with program length sufficient to effect outcomes.~~

1. ~~Institutions must provide a minimum program length that adequately prepares students for entry level employment.~~

2. ~~Program lengths that exceed standard or currently acceptable times or program periods established by regulations and/or statutes must justify expansion of training in terms of exceptional student benefits. Such programs may also be required to review curriculum to evaluate consolidation of classes and course material.~~

(31) ~~Degree Granting Institutions:~~

(a) ~~New institutions seeking authorization to offer degrees in the state of Tennessee or new program applications for a degree program must submit the application by the deadline date established by Commission staff, which shall be 45 to 60 days prior to the quarterly meeting of the Committee on Postsecondary Educational Institutions.~~

(b) ~~All degrees offered must be approved by name and designation by the Commission. No institution may offer traditional liberal arts degrees or professional degree designations such as those given in the definitions under "college" and "university" unless previously approved by a recognized regional accrediting body.~~

~~1. An exception may be approved by the Executive Director upon recommendation of Commission staff.~~

(~~6a~~) **Authorization to offer any degree in the state will require either institutional accreditation by a U.S. Department of Education recognized accreditor as defined in these regulations or authority to grant degrees by affirmative vote of the Commission. Accredited institutions shall be deemed during initial authorization to have met the minimum requirements to offer degrees.**

(~~6b~~) **Non-Unaccredited institutions seeking authority to grant degrees in the state must meet, in addition to the requirements in the Act and these regulations these rules for temporary or regular initial authorization, at a minimum the additional fee as given in these regulations and demonstrate compliance with, but not limited to the following standards:**

~~1. the operation institution shall incorporate instructional procedures, texts, and materials appropriate to the purpose, curriculum and standards of other postsecondary degree granting postsecondary educational institutions offering similar programs in the state;~~

~~2. for undergraduate and degree granting programs and except as noted further in subparagraph (c) of this rule, twenty-five percent (25%) of the total program must be in general education courses and should be indicated separately in the curriculum presented;~~

~~3. a syllabus for each course offered;~~

~~4. library resources and holdings that shall contain up-to-date titles, be available and accessible to all enrolled students and commensurate with the proposed degree level;~~

~~5. demonstration that the degree and the program has merit and value academically, professionally, or vocationally in Tennessee; and~~

~~6. master and doctorate level degrees must demonstrate in the curriculum and outcomes increasing levels of critical, analytical, and interpretive thinking, use of primary documents or resources, and independent research skills.~~

(~~6c~~) **Undergraduate degree programs must include at least twenty-five percent (25%) of the program in general education courses unless the institution can demonstrate program accreditation requirements which are lesser or for a non-unaccredited institution offering or proposing an associate degree level, demonstrate to the Commission that because of the occupational/technical nature of the program that a student would not benefit in the job from general education courses and demonstrate the need to use that twenty-five percent (25%) of the program for job skills courses.**

~~All general education courses must be taught by holders of baccalaureate degrees with at least twenty-five percent of the general education staff with earned master's degrees or equivalent.~~

(~~6d~~) **Graduate degree programs, in addition to staffing and study time requirements in these rules, must provide experienced research staff to direct graduate research papers, provide a program of sufficient length and arrangement to facilitate**

student-to-student and student-to-staff exchange of ideas, provide appropriately credentialed staff in collateral areas, and provide access to a wide range of current reference materials in the subject field.

(g) ~~— Degree program admission policies must be at least the following:~~

- ~~1. — undergraduate degrees must require a high school diploma or equivalency, and~~
- ~~2. — graduate degrees must require at least a baccalaureate degree from an institution judged to be appropriate by the Commission.~~

(4) ~~— Long Distance Learning:~~

(a) ~~— Required authorization of long distance learning institutions shall be reviewed based upon Commission staff evaluation of physical presence. Computer networks or other electronic delivery systems or other forms of long distance learning that might have institutional components in multiple locations outside of this state will be reviewed based upon origination of but not limited to any of the following from Tennessee: instruction, institutional administration or issuance of an educational credential.~~

- ~~1. — No ruling by the Commission regarding authorization or exemption of a long distance learning provider will be interpreted to limit review by any other state agency concerning issues of consumer protection and disclosure.~~

(b) ~~— All authorized long distance learning institutions must provide a printed catalog, enrollment disclosure statement and a contract as required in these regulations. Institutions that enroll students by means such as computer network or telecommunications must provide evidence that the student has acknowledged receipt of the required information.~~

(c) ~~— Home study or long distance learning institutions must meet directly and indirectly all requirements of the Act and these regulations and must seek authorization for a specific location, assign specific administrative responsibilities at each separately authorized site to a director for adequate and appropriate staffing to serve the stated purpose and to make reports as directed by these rules, and as requested by the Commission staff.~~

(d) ~~— Long distance learning courses or programs must consist of at least the following:~~

- ~~1. — a preliminary lesson or set of instructions on how to study by the home study method, or adequate study instructions per assignment;~~
- ~~2. — current and accurate text or lesson materials; and~~
- ~~3. — instructional service or individualized feedback on each unit assignment which must be based on examination questions or problem assignments which thoroughly stress the important phases of the subject presented.~~
- ~~4. — demonstration that instruction in each course including general education courses is presented by a qualified instructor(s), and that required student evaluation or feedback for each course or lesson is also by a instructor qualified in that specific course or subject matter area.~~

~~5. evidence that adequate library or research resources are available to all students that may enroll appropriate to the type and level of the educational program and credential offered.~~

~~6. educational goals and overall program goals are achievable through long distance learning and that graduates of distance education exhibit skills and knowledge equivalent to resident programs of a similar nature.~~

(52) Unaccredited institutions shall not accept funds for tuition prior to ten (10) business days of the scheduled start date of the course or program.

(3) Bartending institutions Schools:

(a) Pursuant to T.C.A. § 49-7-115, all schools involved in training in the areas of management, operation, procedures, or practice of dispensing alcoholic beverages or bartending shall include instruction in the problems of alcohol abuse and the effect of alcohol consumption on highway safety.

(6) Truck Driving (CDL) Schools:

(a) ~~Authorized truck driving schools may advertise in the 'help wanted' section of the newspaper classifieds provided that the advertisement adheres to all other regulations given in 1540-01-02-.20 and within the advertisement it clearly indicates with specific language that this is a "school advertisement", "advertisement for training" or a "training opportunity with [school's name]."~~

~~(b) Advertisements may refer to truck lines or carriers by name with the written permission of that company and use language such as "training agreement with", "training contract with" or "exclusive training for [carrier's name] in Tennessee". If a school mentions or alludes to multiple training agreements with carriers, the advertisement must give a specific number and have prior approval from Commission staff. All claims related to carriers must be documented and on file at the school.~~
(4) Programs leading to licensure, certification, registration or similar recognition:

(a) Successful completion of an examination given by a private or public third-party cannot be part of an institution's program or be a completion requirement. For example, a truck driving program cannot include successful completion of the Commercial Driver's License examination.

(b) Institutions offering programs in fields that require a student to take an examination in order to be licensed or similarly recognized before the student can be employed in the field shall provide as part of the Reauthorization Application student-level data as to:

1. whether the student sat for the examination; and

2. whether the student passed the examination.

(c) Institutions may request a waiver from Commission staff of subparagraph (4)(b) of this rule. Commission staff shall grant the waiver upon receipt of documentation from the institution demonstrating that the examination provider or related state agency will not provide testing data to the institution.

(5) For programs of interest to other state agencies, such as dental programs, Commission staff will endeavor to streamline processes when a subject matter expert state agency has a law that is contrary or duplicitous of the Act or these rules.

(7) ~~Modeling Schools:~~

(a) ~~Modeling schools that also operate a placement or talent agency must maintain clear separation in function and advertising the agency from the school.~~

(b) ~~Talent seminars, interviews or 'talent searches' may not be used to enroll individuals in modeling schools or training.~~

(c) ~~Schools that operate as a 'finishing school', exclusively for personal deportment or for enrichment may not advertise or conduct courses that implies or suggests vocational modeling or related goals.~~

(68) **Computer Training:**

(a) ~~Businesses offering limited computer training in hardware, software, delivery systems or any related technology for clients or customers (closed enrollment) directly related to a sale of equipment or services are exempt from the provisions of authorization.~~

(b) ~~Businesses offering short term computer training in common software or basic computer hardware that is intended for enrichment or professional enhancement are exempt from the provisions of authorization unless in the opinion of the Commission courses using various software are offered concurrently toward a vocational goal. (e.g. word processing software offered toward secretarial goals).~~

(ae) **Businesses offering specialized certifications clearly used to denote technical, professional or vocational proficiency toward an additional vocational goal or new job title must be authorized for operation of that training in the state.**

(9) ~~Teacher Training (K-12) or Licensing or Recertification:~~

(a) ~~The Tennessee State Board of Education or the Commission may request a dual review of any institution or business with physical presence in Tennessee offering courses related to but not limited to teacher (K-12) licensing, recertification or career ladder. For accredited institutions with teacher education programs using long distance learning (but using targeted direct mail advertising), the Commission may grant a waiver for authorization if State Board of Education or a local public school district has accepted, endorsed or approved for graduate credit transfer any portion of the program. Such a waiver shall not be granted for any institution outside of the provisions stated above and may be individually retracted if in the opinion of the Commission the advertising is misleading regarding outcomes or credits earned.~~

(10) ~~Seminars / Workshops:~~

(a) ~~Seminars or workshops of short duration that are motivational, enrichment, recreational, avocational or solely for professional enhancement as determined by Commission staff shall be considered exempt from authorization requirements.~~

- (b) ~~Upon review by Commission staff a seminar/workshop provider regardless of length that presented the instruction in such a way to suggest a vocational end may be required to become authorized in the state, or clarify through public advertising that the seminar/workshop is in fact enrichment or recreational.~~

Authority: T.C.A. §§ 49-7-2003, 49-7-2005, and 49-7-2008.

1540-01-02-09 BONDS.

- (1) Institutions must, on forms provided by the Commission, secure for student indemnification purposes, from a surety company qualified and authorized to do business in Tennessee, a continuous surety bond in the amount of:
- (a) ten thousand dollars (\$10,000) for in-state institutions, out-of-state public institutions and all institutions providing primarily religious instruction, and
- (b) twenty thousand dollars (\$20,000) for all other institutions, including out-of-state private institutions.
- (2) Out-of-state institutions must, on forms provided by the Commission, secure a surety bond for agents in the amount of five thousand dollars (\$5,000) per agent from a surety company qualified and authorized to do business in Tennessee with the institution as principal.
- (3) Institutions must provide a bond for each authorized location.
- (4) Subject to Commission staff approval, an irrevocable letter of credit secured by a certificate of deposit or a cash deposit with a bank may be accepted in lieu of the bond. Such deposits are subject to the same terms and conditions provided for in the surety bond form.

Authority: T.C.A. §§ 49-7-2005 and 49-7-2013.

1540-01-02-09-10 AUDITS, ANNUAL RENEWAL FOR AUTHORIZATION.

- (1) Commission staff may conduct audits to ensure compliance with the Act and these rules. Audits may be performed at the institution's authorized location or by requesting that the institution forward copies of student records to Commission staff. In the case of the latter, the provided records will be retained by Commission staff as working papers but will be destroyed when the audit is closed.
- (2) Commission staff may audit an authorized institution at any time without notice to the institution. However, unless the circumstances mandate that no notice can or should be given, Commission staff should provide at least seventy-two (72) hours' notice. Notice shall be given by email to the institutional director.
- (3) Failure to comply with any audit request may be an audit finding and result in adverse action against the institution.
- (4) Commission staff will provide the institution with an audit report that lists any findings and the frequency. The report shall require the institution to propose corrective action for all findings or to show cause why the Executive Director or Commission should not take adverse action.

- (5) Tuition increases that in the opinion of the Commission are excessive, unreasonable or exceed initial disclosure to students may result in an in-depth audit of the institution's financial stability.
- (1) ~~All unaccredited authorized institutions and institutions under Temporary or Conditional Authorization must submit an annual report or renewal application on a form provided by Commission staff. The annual authorization year will be from July 1 through June 30 and annual application or reports submitted is due each October 15 and must be accompanied by an annual fee as prescribed by these rules.~~
- (2) ~~Accredited institutions under Regular Authorization will be granted upon affirmative vote of the Commission an authorization certificate for each site for a period of up to six years. The Commission, when possible will tie the authorization period to the accrediting body's granting of accreditation / reaffirmation cycle and require each October 15 (in lieu of the Commission's annual renewal package) the most recent annual reporting documents submitted to the accrediting agency along with any minimum forms required by the Commission.~~
- (3) ~~Annual reports or renewal applications postmarked after October 15 or other due date will be assessed a late renewal fee as described in Rule 1540-01-02-.25 FEES.~~
- (4) ~~For unaccredited institutions and institutions under Temporary or Conditional Authorization, the annual report or renewal application must be accompanied by the following:~~
- (a) ~~any changes or additions to information previously submitted as part of the basis for authorization;~~
 - (b) ~~copy of current catalog with major changes cited;~~
 - (c) ~~the latest financial statement for the most recent institutional fiscal year as given under Financial Standards, 1540-01-02-.14 and shall include:~~
 - 1. ~~a balance sheet (statement of financial position);~~
 - 2. ~~statement of the results of institutional operation including gross amount of tuition and fees earned and total refunds during the fiscal year;~~
 - (d) ~~a renewal fee (check or money order) made payable to the State of Tennessee for such fees as stated under these regulations.~~
 - (e) ~~an enrollment report for the first enrollment period on or after July 1 of previous year through and including the last enrollment on or before June 30 of the current year;~~
 - (f) ~~a list of all institutional personnel including staff, instructors and agents;~~
 - (g) ~~summary data for the most recent institutional fiscal year on students participating in state or federal aid programs;~~
 - (h) ~~such other information or clarification deemed necessary by Commission staff for determination of authorization recommendations and study of institutional and/or enrollees or former enrollees.~~

Authority: T.C.A. §§ 49-7-2005, 49-7-2006, and 49-7-2014.

~~1540-01-02-10 REQUIRED MINIMUM STANDARDS.~~

~~(1) The institutional purpose and objectives must be stated in measurable potential outcomes in a catalog, bulletin, or brochure of the institution.~~

~~(2) In relation to the size and scope of the institutions, it shall furnish adequate student services to fulfill the mission of the school and provide counseling and / or resources necessary to support programs and claims of the institution. Such services must have staff available to students with the knowledge and skills to effect counseling, guidance and coordination in areas such as; academic standing and satisfactory progress; admissions; employment opportunities or placement; intern/externships; library; financial aid.~~

~~(3) Administrative capability must be demonstrated in the daily operational standards at the institution. Administrative capability is the ongoing effective coordination of federal, state and accreditation (where applicable) requirements in a positive and educationally enriching environment to the benefit of students. Indicators of the break down of administrative capability may include but not be limited to: reoccurring violations in the same area; numerous student complaints during the year; failure to correct compliance issues; frequent or sudden turnover in faculty or staff; multiple findings in several different areas during a institutional site visit.~~

~~(4) Institutions must annually report program completion rates and placement rates in a format approved by the Commission which may include accreditation standards or an average of comparable rates from Tennessee public institutions. If program completion rates are less than 66%, or if average program withdrawal rates are in excess of 33%, or if average placement rates are less than 75%, those rates shall be monitored, reported on, compared with those of similar institutions, and explained to the extent that it can be determined whether or not the low rate is an indicator of poor educational quality.~~

~~(5) Liberal arts schools or professional schools that typically do not report vocational placement data may be required to report to the Commission either by testimonial, survey or by some other means that program completers have benefited from the instruction.~~

~~(6) The maximum pupil teacher ratios acceptable, without special permission from the Commission, are:~~

~~(a) lecture: 40-1;~~

~~(b) business laboratory: 50-1 (such as accounting, typing, shorthand);~~

~~(c) technical and vocational theory: 40-1;~~

~~(d) technical lab: 40-1 (such as computer programming, data processing) and;~~

~~(e) vocational lab: 40-1 (such as auto mechanics, drafting, air conditioning).~~

~~Authority: T.C.A. §§ 49-7-2005 and 49-7-2006.~~

~~1540-01-02-11-11 Institutional Catalog. INSTITUTION CATALOG.~~

- ~~(1) Each institution must publish a catalog or brochure (a draft copy may be provided for original application) which must that includes at a minimum least the following information;:~~

- (a) the name and address of the institution;
- (b) identifying data, such as catalog number and publication date;
- (c) table of contents;
- (d) names of owners and officers, including any governing boards, and faculty with credentials for position;
- (e) the institutional calendar, including holidays, enrollment periods and the beginning and ending dates of terms, courses, or programs;
- (f) the institutional enrollment procedures and entrance requirements, including late enrollment, if permitted;
- (g) the institutional attendance policy, including minimum attendance requirements, how attendance will be determined, and the circumstances under which a student will be interrupted for unsatisfactory attendance, and the conditions under which a student may be readmitted;
- (h) the institutional policy covering satisfactory progress, including with an explanation of any grading system used, and a description of any probation policy, and a description of the institutional system for making progress reports to students;
- (i) the institutional policy regarding student conduct, including causes for dismissal and conditions for readmission;
- (j) a description of each program offered including objectives, costs, length, program components or course requirements, or in the case of correspondence instruction, the number of lessons;
- (k) a description of the placement assistance available and, if none, so state;
- (l) a description of the facilities and equipment used for educational programs ~~and the address of training site;~~
- (m) the policy concerning credit granted for previous education, training, and experience and, if none, so state;
- (n) the refund and cancellation policy, including which must describe the procedure for determining the official date of termination, the time within which a refund will be provided, and how a refund must be requested;
- (o) ~~in catalogs (except for out-of-state degree-granting institutions which choose to make no reference to the Commission) which describe educational programs conducted in Tennessee and with enrollment contracts used by programs outside of Tennessee, a statement provided within the first four pages of the catalog and on the signature page of enrollment contracts, which must read~~ reads as follows:

The (name of institution) is authorized by the Tennessee Higher Education Commission. This authorization must be renewed each year and is based on an evaluation by of minimum standards concerning quality of education, ethical business practices, health and safety, and fiscal responsibility;

- (p) a description of the student grievance procedure, including a listing of
1. the title, address, and telephone number of the institutional employee(s) designated to receive student complaints;
 2. if applicable, the process for escalating or appealing a complaint;
 3. if the institution used ~~allows~~ for nonbinding mediation or voluntary arbitration clause in its enrollment agreement, the catalog must describe the process in its entirety steps required of the student and/or the institution to initiate the mediation process; and
 4. The ~~the~~ address and telephone number of Commission staff along with a statement that reads: "Any person claiming damage or loss as a result of any act or practice by this institution that may be a violation of the Title 49, Chapter 7, Part 20 or Rule Chapter 1520-01-02 may file a complaint with the Tennessee Higher Education Commission, Division of Postsecondary State Authorization." ~~the licensure staff of the Commission must be in the catalog for grievances not settled at the institutional level;~~

- (q) a disclosure regarding the specific information pertaining to ability to transfer transferability of credit earned to another institution, with language sufficient to describe limitations on the transfer of credit. Institutions have a responsibility to advise potential enrollees that transfer of credit is controlled by the receiving institution and that accreditation does not guarantee transferability. Suggested language is as follows:

"(name of institution) is a special purpose institution. That purpose is (~~fill in institution's mission statement~~). This purpose does not include preparing students for further college study. Students should be aware that transfer of credit is always the responsibility of the receiving institution. Whether or not credits transfer is solely up to the receiving institution. Any student interested in transferring credit hours should check with the receiving institution directly to determine to what extent, if any, credit hours can be transferred."

- (r) the cash discount policy, if offered to students; and
- (s) the ATB testing policies, if any, along with the admissions policies.
- (2) Institutions may provide electronic catalogs to students as long as the institution provides the student a hard-copy upon the student's request
 - (3) Use of supplemental pages must be done in a way as to ascertain that supplemental pages become an effective part of the catalog and must show an effective date and be presented to students prior to enrollment or payment of fees;
 - (34) Catalogs should be written in a way and at a level ~~that allows~~ which enables prospective enrollees to comprehend the information and make informed decisions; and,
 - (4) Lesser information requirements may be included in the institutional catalog or brochure when the applicant can satisfactorily demonstrate to the Commission that some of the above are not applicable.
 - (5) Full time students should have a reasonable expectation to complete programs as printed

in the institutional catalog at the time of enrollment.

Authority: T.C.A. §§ 49-7-2002, 49-7-2005, 49-7-2006 and 49-7-2008.

1540-01-02-122 ADMISSIONS STANDARDS.

- (1) The admissions policy for students must be based on the institution's objectives and must be publicly stated and administered as written.
- (2) An institution should not admit or enroll a student in a program leading to licensure when the institution knows or, by the exercise of reasonable care, should know the student is or would be will be ineligible to obtain licensure in the occupation for which they are the student is being trained. For example, an institution should not admit a student if the institution knows the student has a (ex., certain prior legal convictions that will prevent the student from obtaining licensure or one ineligible to hold certain licenses). If a student who is ineligible or likely to be ineligible for licensure desires to enroll in such a program, regardless of license eligibility, the institution may admit such a student after the student submits a signed, written, in writing for retention by the institution and review by Commission staff, a statement acknowledging the student is or is likely to be ineligible for licensure. The institution shall provide the student a copy of the statement and maintain the original in the student's file. such ineligibility. This provision, 1540-01-02-12(1) is not intended to speak contrary to institutions' options to enroll students as non-credit students, auditing students or continuing education students.
- (3) Basis of admission shall be at a minimum:
 - (a2) Students enrolling in a certificate or diploma program must possess a high school diploma, a high school diploma equivalency, a current Tennessee license in the field for which the training is intended, postsecondary credit in a degree program, or, subject to subparagraph (3)(d) of this rule, a passing score on an ATB test.
 - (b) Students enrolling in an associate or bachelor degree program must possess, at a minimum, a high school diploma, a high school diploma equivalency, or postsecondary credit in a degree program.
 - (c) Students enrolling in a post-baccalaureate program must possess, at a minimum, a baccalaureate degree from an institution judged to be appropriate by the Commission.
 - (d) A student may be admitted as an ATB student if the student has terminated secondary enrollment and is beyond the age of compulsory attendance. An Students without high school diploma or GED may be admitted as an Ability to Benefit student into non-degree programs that are customarily not accepted for college credit if the student has terminated secondary enrollment and is beyond the age of compulsory attendance, subject to the following conditions:
 - (a) Applicants without a high school diploma or GED shall be tested.
 - (b) An exception to these testing provisions, However, may be created for:
 1. individual applicants to non-degree programs where the following four conditions

are met:

- (i) ~~The student does not receive federal or state financial aid.~~
- (ii) ~~The student's high school transcript is unavailable.~~
- (iii) ~~The program is short term and the costs are low.~~
- (iv) ~~institutions or programs at an institution composed exclusively of subject matter that does not lend itself to an objective test, upon request, if approved by the Commission.~~
- (c) ~~institution may use either~~ Any test administered for purposes of determining admission shall be **a standardized test formerly or currently recognized nationally or by the U.S. Department of Education** or, if with minimally acceptable scores as referenced in the test material or by the U.S. Department of Education or only in cases where a standardized such a test is not applicable to the particular subject matter of the program available, a non-standardized test developed by the institution, institutional officials In either case, the institution shall request approval from Commission staff before using the test and shall state the and approved by the Commission staff with minimally acceptable scores and the maximum number of attempts allowable in a given period of time, for example, three(3) times in a six (6) month period approved by the Commission staff. The following applies to all ability-to-benefit tests:
 - 1. ~~(d)~~ Tests shall be administered in a secure environment, for example, (e.g., monitors present).
 - 2. Tests shall not be administered in a manner that is inconsistent with the recommendations of the manner (e.g., frequency) recommended by standardized test developers. Testing policies shall be stated along with the admissions policy published in the institutional catalog.
- 3. ~~(e)~~ An agent is not allowed to administer the test, nor is anyone allowed to assist the applicant in answering the questions.
- (f) ~~If the admission test reveals the student to be ineligible as an ability-to-benefit student, the student may be enrolled as a remedial student and may be charged for the remedial program on an hourly pro rata basis. The student is not obligated for the tuition and fees of the non-remedial regular program until the admission requirements are met.~~
~~The minimum admission requirement for postsecondary education remain a high school diploma, GED, or a passing score on the admission exam.~~
- (g) ~~Tests administered for purposes other than the determination of admissibility are not governed by 1540-01-02-12(2).~~
- (3) ~~Institutions which admit enrollees on an ability-to-benefit basis, must submit all documents related to such admission policies to the Commission.~~
- (4) ~~Degree program admission policies must be at least the following:~~

- ~~(a) undergraduate degrees must require a high school diploma or equivalency, and~~
- ~~(b) graduate degrees must require at least a baccalaureate degree from an institution judged to be appropriate by the Commission.~~
- (4) Proof of the basis of admission shall be maintained in the student file in accordance with Rule .15 of these rules.

Authority: T.C.A. §§ 49-7-2005 and -49-7-2008.

1540-01-02-.133 ENROLLMENT CHECKLISTS, ENROLLMENT AGREEMENTS, AND DISCLOSURES- AND DISCLOSURE STANDARDS.

- ~~(1) Accredited institutions that provide and administer a Title IV financial assistance program and grants will follow federal disclosure guidelines. Such institutions will not be required to duplicate any state disclosure item if that disclosure is part of federal or accreditation standards.~~
- (21) Pre-Enrollment Checklist: Institutions ~~p~~Prior to signing an enrollment agreement enrolling an individual, institutions shall require an institution representative and the prospective student to sign and date a pre-enrollment checklist form to be placed in the student file, which is either part of the enrollment contract or a pre-enrollment check list verifying that the student. The document must clearly indicate that it is the pre-enrollment checklist, include the full and correct name and address of the authorized location of the institution, and, if multiple pages, be paginated using the format " of pages." The checklist shall include, at a minimum affirmations that the student:-
 - (a) toured the institution (not applicable to institutions that deliver all instruction through distance learning);
 - (b) received an institutional catalog and if provided electronically understands that the student may request a hard-copy of the catalog at any time;
 - (c) was given the time and opportunity to review the institutional policies in the catalog;
 - (d) knows the length of the program for full-time and part-time students in academic terms and actual calendar time;
 - (e) has been informed of the total tuition and other fees cost of the program;
 - (f) has been informed of the estimated cost of books and any required equipment purchases such as a stenography machine, computer, specialized tools, or art supplies etc.;
 - (g) has been given a copy of the institutional cancellation and refund policy;
 - (h) understands what 'transferability of credits' means has executed a Transfer of Credit Disclosure Statement in compliance with T.C.A. § 49-7-144 and understands the specific limitations (if any) should the institution have articulation agreements;-
 - (i) knows of their rights in a grievance situation including contacting the Tennessee Higher Education Commission by including on the form a statement in the following format has been given the address and telephone number of

Commission staff along with a statement that reads: "Any person claiming damage or loss as a result of any act or practice by this institution that is a violation of the Title 49, Chapter 7, Part 20 or Rule Chapter 1520-01-02 may file a complaint with the Tennessee Higher Education Commission, Division of Postsecondary State Authorization."; and-

1. ~~A statement: "I realize that any grievances not resolved on the institutional level may be forwarded to the Tennessee Higher Education Commission, Nashville, TN 37243-0830, (615) 741-5293."~~
- (3) (i) _____ has received the most recent withdrawal, completion, and placement data as calculated by the Commission by including in the checklist:
 1. the following statement: "For the program entitled, (program name), I have been informed that, for the July (year)/June (year) period, the withdrawal rate is (percent)%, the completion rate is (percent)%, and the in-field placement rate is (percent)%. Detailed statistical data for this program may be viewed by going to <http://www.tn.gov/thec/topic/authorized-institutions-data>."
 2. a chart listing all approved program names and the related percentage rates for withdrawal, completion, and in-field placement, identifying the July/June reporting period, and stating that "detailed statistical data for all approved programs may be viewed by going to <http://www.tn.gov/thec/topic/authorized-institutions-data>"; or
 3. a copy of the institution's most recent Annual Performance Report created by Commission staff and posted on the Commission's website. Also included, shall be documentation that the student received graduation-placement data exactly as presented to the Commission during the last reauthorization cycle in the following format:
 - (a) ~~A statement: "For the program entitled _____, I have been informed that the current withdrawal rate is __%, or in the past 12 months ___ students enrolled in this program and ___ completed this program."~~
 - (b) ~~A statement: "For the program entitled _____, I have been informed that for the students who graduated, the job placement rate is __%, or in the past 12 months ___ were placed in their field of study out of ___ students who graduated from this program."~~
 - (k) _____ has received and understands the institution's cash discount policy (applicable only to those institutions that have a cash discount policy).
- (4) ~~Liberal arts schools or professional schools that typically do not report vocational placement data may request a waiver of 1540-01-02-13(3) above.~~
- (52) Enrollment Agreement: An Institutions enrolling an individual in a course or program shall require an institution representative and the prospective student to sign and date an enrollment contract agreement prior to the student attending one (1) session of class, turning in one (1) assignment, or receiving one (1) distance learning lesson, whichever occurs first. The document must clearly indicate that it is the enrollment agreement (not an application for admissions), and, if multiple pages, the pages of the enrollment agreement shall be paginated using the format " of pages."

(a) The enrollment agreement shall include, at a minimum:

~~shall include but not be limited to:-~~

- 1.(a) the full and correct name and address of the location authorized location of the institution;
- 2.(b) the name, address, and social security number or unique student identification number of the student;
- 3.(c) the date training is to begin and program length;
- (d)4. if students have the option to attend part-time, full-time or part-time status of the student;
- (e)5. the projected date of graduation/completion as a full-time or part-time student;
- (f)6. the program name as approved by the Commission;
- (g)7. the total cost of the program, including itemized separate costs for tuition and fees, the approximate costs for other fees, books and any required equipment purchases;
- (h)8. cancellation and refund policy;
- (i)9. verification verification that that the student has received an exact signed copy of the agreement by signing the agreement the student understands the student's right to receive an exact signed copy of the agreement.
10. verification that by signing the agreement the institution understands its obligation to immediately provide the student an exact signed copy of the agreement;
- (6)11. institutions shall contractually guarantee of total cost of tuition cost for twelve hundred (1200) contact contact hours or one calendar year twelve (12) months from the time of enrollment, programs less than twelve hundred (1200) contact hours must have a set total tuition; and
12. The following statement: "The (name of institution) is authorized by the Tennessee Higher Education Commission. This authorization must be renewed each year and is based on an evaluation of minimum standards concerning quality of education, ethical business practices, and fiscal responsibility," for full and part-time student.

(b) Institutions that enroll students in individual courses may modify the pre-enrollment checklist or enrollment agreement as appropriate, but should strive to make as few modifications as necessary.

(3) Transfer of Credit Disclosure Statement: Prior to signing an enrollment agreement and the pre-enrollment checklist, institutions shall require the student to complete a Transferability of Credit Disclosure Statement.

(a) The written statement must be:

1. a stand-alone document containing no other disclosures;
2. contain a space for the prospective student to initial and date; and
3. printed in type not less than sixteen (16) point font; and
4. contain the exact language in T.C.A. § 49-7-144(b)(2), except that institutions offering contact hours only may substitute the word contact for credit

(b) Institutions shall post the disclosure on its website, but the language does not have to be in at least sixteen (16) point font.

- ~~(7) Programs less than 1200 clock (contact) hours must have a an enrollment contract with a set total tuition.~~
- ~~(8) Programs longer than 1200 clock (contact) hours that increase tuition cost after the initial 1200 hours or one year period, must provide counseling related to the tuition increase.~~
- ~~(9) Tuition increases that in the opinion of the Commission are excessive, unreasonable and exceeds initial disclosure to the student may result in an in depth audit of the institution at the school's expense to assure the Commission of financial stability.~~

Authority: T.C.A. §§ 49-7-2005, 49-7-2006, 49-7-2008, ~~and 49-7-2019~~ and 49-7-144.

1540-01-02-144 FINANCIAL STANDARDS.

- ~~(1) Institutions administering Title IV financial assistance programs will maintain all required guidelines and standards.~~
- (21) The Commission and its staff may share information with the Tennessee Student Assistance Corporation and other state and federal agencies as appropriate.
- (32) The institution shall maintain financial and business practices in line with common business procedures utilizing standard accounting practices.
- (43) The institution shall maintain and be prepared to demonstrate at any time financial resources adequate to meet fund and maintain the following:
 - (a) facility maintenance and overhead;
 - (b) staff and faculty payroll;
 - (c) books, supplies and / or equipment utilized by students; and
 - (d) general operating costs, including printing and advertising;
- ~~(5) Institutions shall be able to demonstrate annual financial planning through a budget. New degree granting program schools must establish financial planning that reflects at least a three year plan which includes anticipated income and expenses.~~
- (64) As part of reauthorization, All authorized institutions must file each year the most recent audited financial statements for the most recently completed fiscal year, certified by an independent certified public accountant as follows:

- (a) Institutions with annual gross tuition revenue at the authorized location of one million dollars (\$1,000,000) or more shall submit audited financial statements prepared in accordance with the Generally Accepted Accounting Principles by an independent certified public accountant.
- (b) Institutions with annual gross tuition revenue at the authorized location of less than one million dollars (\$1,000,000) but more than one hundred thousand dollars (\$100,000) shall submit a reviewed balance sheet and income statement prepared in accordance with the Generally Accepted Accounting Principles by an independent certified public accountant.
- (c) Institutions with annual gross tuition revenue at the authorized location of one hundred thousand dollars (\$100,000) or less shall submit a balance sheet and income statement using forms prepared by Commission staff as long as those forms are completed by an independent certified public accountant or a bookkeeper certified by the National Association of Certified Public Bookkeepers.
- (da) For multi-campus institutions, or for IAs as an alternative to subparagraphs (5)(a) through (c) of this rule, institutions owned by one the same parent company may submit an audited consolidated corporate financial statement shall be routinely required. The audited consolidated statement shall be prepared in accordance with the Generally Accepted Accounting Principles by an independent certified public accountant. The staff Commission staff, the Committee, or the Commission, however, may request additional campus or institution-specific information where needed to better understand the financial stability of a single authorized location or to protect the public interest. The audited income statement must be compiled for each institution, or group of institutions owned by the same company, authorized to operate under the Act.

(5) The following is applicable to all financial statements:

- (a) The balance sheet must reflect the owner's (proprietorship, partnership, corporation, or other) assets and liabilities.
- (b) The institution shall report total revenue on the income statement; however, total tuition revenue must be delineated. In the preparation of these statements, it should be noted that goodwill is not generally considered a current asset unless it is being amortized.
- (c) Related parties must be disclosed, including including, but not limited to, related party footnotes, debt agreements with owners, and supplemental footnotes on separate campuses or branches are expected.
- (d) It should be noted whether or not tuition revenue is recognized up front or on a pro rata basis. Current financial statements on each site separately authorized under the Act must be filed annually.
- (ee) Within five three (3) years from initial temporary initially receiving authorization, neither the ratio of current fund total revenues to current fund total expenditures nor the ratio of current assets to current liabilities, both site specific and corporate of either the authorized location or the parent company, where applicable, shall be less than 1:1, without econvincing explanation.

- (f) An Institution shall elect during reauthorization whether it will rely on the financial statements of the authorized location or the parent company and must use the financial statements of the elected entity for at least three (3) consecutive years.
- ~~(f) Institutions that have annual gross tuition revenue of \$100,000 or less may request a waiver of the audit contemplated by this section and provide the most recent financial information on forms provided by the Commission.~~
- (7) ~~The institution must submit an operating statement and balance sheet to the Commission within four months of the end of the institutional fiscal year. In addition, if a regular or certified audit is available, it should be submitted within four months of the end of the institutional fiscal year as well.~~
- (876) When there are questions about the institution's financial stability, At any time, the Commission may require the institution to file appropriate financial statements, which may include audited statements prepared in accordance with the Generally Accepted Accounting Principles by an independent certified public accountant, for the authorized location or the parent company a certified audit of the institution when there are questions about the institution's financial stability.
- (87) All institutions must maintain a business account with a financial institution that is federally insured in said institution's name.

Authority: T.C.A. §§ 49-7-2005, 49-7-2006 and 49-7-2015.

1540-01-02-155 INSTITUTIONAL AND STUDENT RECORDS.

- (1) ~~Records of enrollees, completers, and placements must be sufficient to provide annual auditable reports to the Commission from the master student registration list.~~
- (21) Institutional directors must maintain on-site a current copy file of materials filed with the Commission as part of their current authorization which includes the application, documentation of appropriate bonding, financial reports, and agent permit documentation.
- (2) Institutions shall retain for three (3) years a record of written student complaints that follow the institution grievance process must be maintained, including a copy of the complaint, any investigatory documents subsequent documents, and a statement of the matter's disposition.
- (33) Student Financial records of the institution must be maintained and open for inspection and copying by DPSA Commission staff in accordance with applicable confidentiality laws.
- (44) For each student, the institution must maintain an up-to-date reconciled account statement as a separate document. The statement must:
- (a) clearly reflect the balance due the institution or student;
 - (b) all charges and payments;
 - (c) the reason for the debit or credit, for example, student cash payment, loan payment, tuition waiver, technology fee, or tuition charged; and

(d) all tuition charges must clearly indicate the period of enrollment for which the student is being charged, for example, if the program is a four (4) month program but the tuition charged is for one (1) month, the account statement might read "Tuition Charged for Month 1."

~~Institutions administering financial aid programs must maintain a ledger and a record of financial aid administered which includes a chronological record of debits and credits which is understandable to the enrollee.~~

(5) ~~Each institution must maintain a master student registration list consisting of at least the following information for any person who signs an enrollment agreement financially obligating that person or makes a down payment to attend, or both:~~

~~(a) registration date;~~

~~(b) name of student;~~

~~(c) address of student;~~

~~(d) telephone number;~~

~~(e) social security number;~~

~~(f) name of course or program; and~~

~~(g) current student status or date of dropout or completion, date of employment, employment status (i.e., employed, unemployed, disabled, or deceased), where employed, including the name, address, and telephone number of the employer.~~

(65) Institutions must maintain a file for each student enrolled in a program or course for three (3) years after the student's withdrawal from or completion of the program or course of enrollment. The file shall contain at a minimum the following documentation in each enrolled student file or folder and shall include but not be limited to:

(a) the executed transferability of credit disclosure statement required by T.C.A. § 49-7-144 and Rule 13(3) of these rules an admissions form that provides basic information such as student name, social security number, address, telephone number, program or area of application, projected entrance date, etc., and information relevant for determination that the student meets the minimum entrance requirements of the institution, (see 1540-01-02-12). This information may be incorporated into the enrollment contract;

(b) documentation evidencing the student's basis for admission as provided for in paragraph (6) of this rule (e.g., name and address of high school); if a high school diploma or the equivalent is required, for high school graduates or those with high school equivalency, the institution shall have on file an official copy of the high school transcript, or the equivalency certificate with scores which meet the state's minimum for passing; if an ability to benefit basis, the institution shall have on file official records of such; or if on an exception basis, documentation of such;

(c) the executed pre-enrollment checklist disclosure statement or checklist as given in these regulations (unless incorporated in the enrollment agreement);

(d) the executed a complete enrollment agreement as given in these regulations;

- (e) an exhibit of the institution's enforcement of standards acceptable to the Commission related to attendance, academic satisfactory progress, and proper documentation of any leave of absence (LOA) that may affect progress; and
 - (f) written records of the previous training and education of the applicant student which clearly indicates the appropriate credit which has been given by the institution for previous training and education.
- (6) Sufficient basis of admission documentation for purposes of the student file is as follows:
- (a) If the basis of admission is successful completion of an ATB test, then the student file shall contain a copy of the scored test or a graded score sheet.
 - (b) If the basis of admission is a high school diploma or equivalency, then the student file shall contain:
 - 1. an official transcript from the high school or other government body, such as a county school board;
 - 2. an official high school equivalency transcript or GED score sheet from the appropriate issuing entity; or
 - 3. an official military document indicating that the student completed high school such as an Enlisted Record Brief.
 - (c) If the basis of admission is a Tennessee license in the field for which the training is intended, then the student file shall contain verification of current licensure from the issuing Tennessee subject matter expert agency, such as a current screenshot from the agency's website.
 - (d) If the basis of admission is postsecondary credit in a degree program, then the student file shall contain an official transcript from a postsecondary educational institution indicating that credit in a degree program was awarded to the student.
 - (e) If the basis of admission is a bachelor's degree or higher credential, the student file shall contain an official copy of the transcript from the postsecondary educational institution indicating that the student received the credential.
 - (f) If a transcript is from an institution outside the United States, documentation from a transcript translation service indicating that the education obtained is the equivalent of the applicable United States credential and, if necessary, a translated transcript.
- (e7) Official documentation is a statement of the student's academic record received directly from the issuing institution or agency such as a transcript or score sheet. Paper transcripts printed on security sensitive paper that contains the issuing institution's seal or signature of an official from the institution is acceptable admission documentation. Electronic transcripts or scores sheets not printed on security sensitive paper must include indicia that the transcript or score sheet was received directly from the issuing institution or agency such as accompanying email correspondence or the envelope.
- (8) Institutions shall maintain for the life of the institution an up-to-date educational a transcript or a certificate for each student previously or currently enrolled in a program

offered by the institution. Institutions may only use certificates with well-defined short term programs, such as bartending and truck driving, where there is no separation of courses by subject content. Institutions offering programs where a subject matter expert agency requires that the institution maintain a transcript must do so.

(a) Transcripts shall be in a form that permits easy and accurate review by the student, transfer schools/institutions, potential employers, and authorized other state or federal agencies. The transcript shall be a permanent record of the student's progress and academic performance, which shall include at a minimum the, but not be limited to:

1. full and complete name and address of the authorized location of the institution;
2. full name of student;
3. last four digits of the student's social security number;
4. program or department of enrollment name as approved by the Commission;
5. status of student, (e.g. for example, active; withdrawal; probation; leave of absence; or graduate etc.);
6. an official date recorded for all student withdrawals and graduations;
7. beginning date or academic term with the year for each course attempted, with an grade posted at the completion of the term or discrete contact hours for that course;
8. as applicable to the type of school/institution, credit hours earned or contact/contact hours completed/attempted and earned;
9. actual name of each course and, if (subject) with any, the code/course numbers as given listed in the institutional catalog along with the corresponding grade received;
10. indication of credits given by transfer from another institution or credit by exam;
11. cumulative Grade Point Average (GPA);
12. date the transcript was last updated and/or printed; and
13. signature of an institution official.

(b) Certificates shall be in a form that permits easy and accurate review by the student, transfer institutions, potential employers, and other state or federal agencies. The certificate shall include at a minimum the:

1. complete name and address of the institution;
2. full name of student;
3. program or department of enrollment;

4. _____ a certificate award date; and
5. _____ the signature of an institution official.
- (f) ~~an exhibit of the institution's enforcement of standards acceptable to the Commission related to attendance, academic satisfactory progress, and proper documentation of any leave of absence (LOA) that may affect progress.~~
- (79) **In lieu of hard copies of educational transcripts and certificates, the institution may maintain the above information transcripts and certificates by electronic storage provided that the institution has a process for maintaining an up-to-date backup of the information in a separate system there is at least one complete updated 'backup' copy in a separate system or at a different location. Commission staff must have complete, Commission staff and other authorized groups have complete and easy access to review student transcripts and certificates during site visits and audits such that the institution can print any requested records and the institution can print out any or all transcripts upon request.**
- (8) ~~For institutions with well defined short term programs such as bartending and truck driving, with no separation of courses by subject content, an exact copy of the certificate of completion may be placed in the student file in lieu of an academic transcript.~~
- (9) ~~Institutions must maintain a written record of the previous training and education of the applicant student which clearly indicates the appropriate credit which has been given by the institution for previous training and education.~~

Authority: T.C.A. §§ 49-7-2005, 49-7-2006, and 49-7-2016.

1540-01-02-166 PERSONNEL AND INSTRUCTOR QUALIFICATIONS.

- (1) ~~Institutions must provide and maintain qualified faculty and staff in order to fulfill the mission of the institution and all obligations to the students. (1) Administrative personnel and instructors shall meet all qualifications listed in this rule. Evidence of education, experience, or training, such as official transcripts, for each personnel must be maintained on-site at the authorized location. Institutions must submit a copy of this evidence at any time upon receiving a request from Commission staff.~~
- (22) **The method of administration and procedure for staff selection must be defined in a way that each employee has specific duties and responsibilities.**
- (3) ~~Administrative personnel generally encompasses individuals that oversee areas as outlined in operational and administrative standards. This includes by function, but is not limited to titles of an institutional director, financial aid administrator, director of admissions, director of education, business officer or manager, director of student services (including counseling and placement) and the registrar. Support and clerical staff is not included as administrative personnel, but shall be included for reporting purposes on re-authorization forms annually.~~
- (43) **Administrative personnel at an authorized institutions must be graduates of an accredited college or university or have sufficient background and training in the administrator's/his/her area of responsibility. If the institution employs a director of**

education, that director shall possess a post-baccalaureate degree or the highest educational credential offered by the institution, whichever is higher.

(54) Institutional Directors:

~~(a) Each institution must designate one person as the institutional director. The institutional director is responsible for ensuring that the conduct of the institution and its agents is in compliance with the Act and these rules. The institutional director shall serve as the official contact for all correspondence and business conducted between the institution and the Commission, the Committee, or Commission staff. Each institution must designate one person as the institutional director, who is responsible for the institution's program, the organization of classes, maintenance of the institutional facilities, maintenance of proper administrative records, signing documents pertaining to authorization and all other administrative matters related to authorization.~~

~~(6b) Institutional owners or the controlling board must ensure that each authorized location site has an institutional director on at the at location authorized location for at least fifty percent (50%) of the operational time each week the school has students present unless other provisions have been approved by the Commission staff.~~

~~(7c) The institutional director implicitly accepts knowledge of and responsibility for compliance with the Act and these regulations these rules including, but not limited to, advertising, records, contracts, required benchmarks, annual deadlines due dates, and fee payments.~~

~~(8d) The institutional director at an authorized institutions must:~~

- ~~1. be a graduate of an accredited college or university with at least one (1) year experience in administration or institutional management, or~~
- ~~2. the total years of administration or institutional management experience in postsecondary /higher education shall equal at least five (5) years.~~

~~(9) Directors of authorized institutions must maintain on site a separate current copy file of materials filed with the Commission as part of their current authorization which includes the application, documentation of appropriate bonding, financial reports, agent permit documentation, and fire and safety reports.~~

~~(10) If the institution employs a director of education, that director shall meet the same requirements as an instructor as specified in these rules and shall also have either one-year supervisory experience or a relevant post-bachelor's degree.~~

(115) Instructors:

(a) Instructional staff for all institutions must be selected at a minimum on the basis of credentials demonstrably higher, on the basis of experience and training, than the level to be taught these rules.

(b) Instructors in a trades related or specific skill areas must have documented proficiency and practical applied experience in that trade or skill.

(c) An instructor must hold the appropriate certificate, license, or rating license if the

subject is a trade-vocation requiring certificate, license, or rating/licensure.

(d) An instructor must be qualified by education and experience/background demonstrably higher than the level to be taught and must meet at a minimum the following qualifications as minimum requirements:

1. Minimum for dDoctorate level courses:

(i) Hold a doctorate degree from a college or university judged to be appropriate by the Commission and either:

(I) a doctorate degree with a major or concentration in the subject area to be taught; or

(II) a doctorate not in the subject area but with a minimum of one (1) year of practical experience within the last five (5) years in the subject area to be taught and completion of nine (9) semester hours or twelve (12) quarter hours of doctoral level courses in the subject.

2. Minimum for masters level courses:

(i) Hold a masters or higher degree from a college or university judged to be appropriate by the Commission and either:

(I) a masters or higher degree with a major or concentration in the subject area to be taught; or

(II) a masters or higher degree not in the subject area but with a minimum of one (1) year of demonstrated practical experience within the last five (5) years in the subject area to be taught and completion of nine (9) semester hours or twelve (12) quarter hours in graduate level courses in the subject.

3. Minimum for a bBaccalaureate level courses:

(i) Hold a baccalaureate or higher degree from a college or university judged to be appropriate by the Commission and either:

(I) a baccalaureate or higher degree with a major or concentration in the subject area to be taught; or

(II) a baccalaureate or higher degree not in the subject area but with a minimum of one (1) year of demonstrated practical experience within the last five (5) years in the subject area to be taught and completion of nine (9) semester hours or twelve (12) quarter hours in the subject. Additional years of documented experience in the subject area may be substituted for semester-/quarter hour requirements.

4. Minimum for an aAssociate level courses:

- (i) Meet the minimum requirements for doctorate, masters or baccalaureate level; or
- (ii) Hold an associate degree from a postsecondary institution judged to be appropriate by the Commission and either:
 - (I) an associate degree with a concentration in the subject to be taught and one (1) year of practical experience; or
 - (II) an associate degree not in the subject area but with a minimum of two (2) years of practical experience within the last five (5) years in the subject area to be taught and satisfactory completion in a postsecondary educational institution of nine (9) semester hours or twelve (12) quarter credit hours in the subject area to be taught. Additional years of documented experience in the subject area may be substituted for semester-/quarter hour requirements.

5. Minimum for diploma and certificate level courses or programs:

- (i) Meet the minimum requirements for doctorate, masters or baccalaureate or associate level; or
- (ii) Hold a high school diploma or GED and a certificate of completion from a postsecondary institution judged to be appropriate by the Commission in a relevant subject area and a minimum of three (3) years of practical experience within the last seven (7) years in the subject area to be taught. Additional years of documented experience in the subject area may be substituted for the postsecondary educational requirements.

6. General education courses: All general education courses must be taught by holders of baccalaureate degrees with at least twenty-five percent (25%) of the general education staff with, at minimum, earned masters degrees.

~~(12) Evidence of qualifiable education, experience, or training (including official transcripts) for each instructor must be maintained on-site at the location.~~

~~(136) The Executive Director may approve a variance from these specific qualifications in paragraph (5) of this rule with sufficient justification and an assurance that the program quality will not be lessened. In such a situation, the institutional director must submit written justification and documentation with the personnel form School Personnel Application submission. In addition the instructor must be institutionally evaluated at the close of the first instructional period for effectiveness and quality. This evaluation shall be made available to the Commission staff Commission staff upon request.~~

~~(147) Instructors shall be evaluated at least annually by students, as well as the director or chief academic/instructional officer, and the institution shall have on file at the campus evidence of such evaluations.~~

~~(158) Agents and Recruiters:~~

- (a) ~~Institutional agents as defined by the Act and these regulations must submit an application, on forms provided by the Commission have authorization and an agent permit and secure the appropriate bond prior to any solicitation. The applicant must be accompanied by the following:~~
1. ~~new applicants must forward recommendations by two reputable persons certifying that the applicant is of good character and reputation;~~
 2. ~~a check payable to the State Treasurer of Tennessee as required under these regulations;~~
 3. ~~a surety bond of \$5,000 per agent of an out of state institution or as specified in 1540-01-02-.07 of these rules; and~~
 4. ~~certification by the institutional director that the applicant will be directed to act in accordance with these regulations.~~
- (b) ~~Agent permits must be renewed every year. The expiration date of a permit is one year from the date of issue or termination of employment whichever occurs first.~~
- (c) ~~Agents must have separate permits to represent separate institutions unless they are commonly held. Mutual agreement by institutions is required.~~
- (d) ~~All agents must verify by signature that they have read and are familiar with rules on advertising and solicitation and must verify intent to follow rules as set forth in Fair Consumer Practices.~~
- (e) ~~Institutional directors, not marketing offices, are responsible for actions of agents.~~
- (fa) ~~The agent shall be under the control of the institution, and the An institution is responsible for any representations or misrepresentations, expressed or implied, made by the agent.~~
- (gb) ~~Any student solicited or enrolled by a non-licensed permitted agent is entitled to a refund of all moneys paid and a release of all obligations by the institution. Any contract signed by a prospective student as a result of solicitation or enrollment by a non-licensed agent shall be ~~may be~~ null and void and unenforceable at the option of the student. In cases where the institution is willing to honor the contract and the student wishes the contract enforced, it can be. However, in cases where the contract has been fully executed between the institution and the student, the student would not be entitled to a refund solely because he or she was solicited by a non-licensed permitted agent.~~
- (hc) ~~An agent is prohibited from inappropriate activities in procuring enrollees including ~~including, but not limited to,~~ but not limited to the following:~~
1. ~~administering the admission test;~~
 2. ~~advising students about financial aid other than informing the student of the general availability of financial assistance;~~
 3. ~~giving false, misleading, or deceptive information about any aspect of the institution's operation, job placement, or salary potential;~~

4. representing that a program has sponsorship, approval, characteristics, uses, benefits, or qualities which it does not have; or
5. soliciting enrollments in a program which has not been approved by the Commission.

(d) An agent must display the current permit to all prospective students and other interested parties.

Authority: T.C.A. §§ 49-7-2002, 49-7-2005, 49-7-2006, 49-7-2009 and 49-7-2011.

1540-01-02-177 ~~CANCELLATION AND R~~CANCELLATION AND REFUND POLICY~~E~~REFUND POLICY.

(1) All authorized institutions must comply with the ~~laws and regulations~~laws of the local, state, and federal government concerning cancellations and refunds and must revise all policies and practices if laws ~~and regulations~~are revised.

~~(2) For purposes of this section, the period of enrollment is defined not to exceed one year.~~

~~(3)(2) Each authorized institution~~ institution authorized by the Commission to operate or to solicit students in Tennessee shall have a fair and equitable refund policy which governs ~~credits or the repayments~~ of unearned tuition, fees, and other of institutional charges assessed a student when:

(a) ~~¶~~the student does not register or fails to begin classes for the period of enrollment for which he or she was charged; or

(b) ~~¶~~the student withdraws, drops out, is expelled from the institution, or otherwise fails to complete the ~~program on or after his or her first day of class~~ of the period of enrollment for which he or she was charged.

~~(4)(3) An authorized institution may use the following refund policies:~~

~~(a) the default refund policy contained in paragraph (4) of this rule;~~

~~(b) an institution policy, as long as the refund due a student pursuant to that policy is equal to or greater than the refund due according to the default refund policy; or~~

~~(c) a refund policy mandated as a condition for students of the institution to participate in a governmental student assistance program, such as Veterans Benefits. The institution's refund policy shall be deemed by the Commission to be fair and equitable if:~~

~~(4) The default refund policy is as follows:~~

~~(a) All or a portion of the tuition, fees, and other institutional charges assessed the student were paid or to be paid by student assistance programs sponsored by one or more governmental or private agencies or organization, including employer provided financial assistance, and the institution, as a condition of establishing eligibility for its students to participate in such programs, is required to adhere to a refund policy prescribed by the sponsor of the student assistance; or~~

- ~~(b) For students not affected by subparagraph (4a), the institution's refund policy produces a refund which equals or exceeds the amount which would be calculated by application of the following procedures:~~
- ~~1-(a) If a student withdraws from the institution on or before the first day of classes, or fails to begin classes, the refund shall equal the sum of all amounts refundable fees paid and, if the student has institutional loans, forgiveness of the amounts owed by the student to be paid by or on behalf of the student for the period of enrollment for which the student was charged, less an administrative fee of one hundred dollars (\$100.00);~~
- ~~(b) A student who withdraws at any time is entitled to a full refund of any fee, regardless of whether the fee is included in tuition, paid to the institution for tangible goods or services not delivered to or fully provided to the student;~~
- ~~2-(c) In addition to subparagraph (4)(b) of this rule, if after classes have commenced and before expiration of ten percent (10%) of the period of enrollment for which the student he or she was charged, a student withdraws, drops out, is expelled, or otherwise fails to attend classes, the refund shall equal seventy-five percent (75%) of all refundable fees amounts paid and, if the student has institutional loans, forgiveness of the loan amount in excess of the twenty-five percent (25%) the student owes the institution to be paid by or on behalf of the student for the period, less administrative fee of one hundred dollars (\$100.00);~~
- ~~3-(d) In addition to subparagraph (4)(b) of this rule, if after expiration of the of ten percent (10%) of the period of enrollment for which the student he or she was charged, and before expiration of twenty-five percent (25%) of the period, a student withdraws, drops out, is expelled, or otherwise fails to attend classes, the refund shall equal twenty-five percent (25%) of all refundable fees amounts paid and, if the student has institutional loans, forgiveness of the loan amount in excess of the seventy-five percent (75%) the student owes the institution or to be paid by or on behalf of the student for the period, less administrative fee of one hundred dollars (\$100.00); or~~
- ~~4-(e) In addition to subparagraph (4)(b) of this rule, if after expiration of twenty-five percent (25%) (25%) of the period of enrollment for which the student he or she was charged, a student withdraws, drops out, is expelled, or otherwise fails to attend classes, the student may be deemed obligated for one hundred percent (100%) of the tuition and other fees and other charges assessed charged by the institution; or~~
- ~~(c) For students not affected by subparagraph (4a), the institution may adopt and utilize the federal statutory pro-rata refund method for a student whose last day of attendance occurs prior to sixty percent (60%) of the period of enrollment, or such later point in time as the institution may select and be published in the institutional catalog. After completion of 60% of the period of enrollment the student may be deemed obligated for one hundred (100%) of the tuition, fees and other charges assessed by the institution; or~~
- ~~(d) For students not affected by subparagraph (4a), the institution may propose a refund policy for approval by the Executive Director, if the policy can be demonstrated as a whole more favorable than subparagraph (b); or~~
- ~~(ef) For a student who cannot complete one or more classes because the institution discontinued such a class(es) during a period of enrollment for which the~~

student was charged, the institution shall refund the sum of all refundable fees amounts paid and, if the student has institutional loans, forgive the amounts owed by the student or to be paid by or on behalf of the student for such class(es).

- (5) When computing refunds pursuant to the policies contained in subparagraph 2-~~(b)(c)(d)~~ default refund policy, the last day of attendance for a student shall be one of the following:
- (a) ~~The date on the expulsion notice if a student is expelled from the institution; or~~
 - (b) ~~The date the institution receives a written notice (including a signed drop form) of withdrawal from a student; or~~
 - (c) When no written notice of withdrawal is given, the institution shall use the last day of attendance as the date of withdrawal; or
 - (d) the date the student fails to return from an approved Leave of Absence (LOA) leave of absence.
- (6) Pursuant to Rule .15(4) of these rules, the reconciled account statement must indicate the period of enrollment for which the student is being charged for each tuition charge. If the institution does not maintain the requisite account statement or the reconciled account statement does not clearly indicate the period of enrollment for which the student is being charged, the institution shall be liable for all refundable fees paid by or on behalf of the student.

Authority: T.C.A. §§ 49-7-2005, 49-7-2006, 49-7-2007, 49-7-2008, and 49-7-2013.

~~1540-01-02-18 PROHIBITED ACTS.~~

- ~~(1) Grant or offer to grant or infer through advertising, promotions or other representations that educational credentials or credits may be obtained through any postsecondary institution, business, person or educational service unless so authorized in the state.~~
- ~~(2) No school seeking, holding or required to hold authorization under the Act may call itself a university or use university in its name, unless prior to authorization in Tennessee such an institution has been so approved by a regional accrediting body recognized by the U. S. Secretary of Education and the U. S. Department of Education.~~
- ~~(3) No entity may publicize, promote or imply an accreditation that is not recognized by the U. S. Department of Education.~~
- ~~(4) No school seeking, holding or required to hold authorization under the Act or these regulations may publicize, promote or imply an academic, vocational, professional or educational certification from any entity without the approval of the Commission.~~
- ~~(a) Certifications held out to students that imply a special status, licensing or credential beyond the authorized award by the institution whether offered within the school or by an independent entity, where such certifications are not recognized or required by the state and its laws or for employment purposes within the industry / profession, will require the approval of the Commission.~~

- ~~(5) For consumer disclosure and truth in advertising to all Tennessee citizens, an educational service, business or person must clearly identify the nature of the educational service offered and may not use broad language or phrases to imply that the service is a school, can award credits, degrees or other educational credentials.~~

~~Authority: T.C.A. §§ 49-7-2006, 49-7-2007, 49-7-2008 and 49-7-2013.~~

1540-01-02-18 STATISTICAL DATA COLLECTIONS.

- (1) All authorized institutions shall provide student-level statistical data on a Commission staff data form that will allow Commission staff to calculate the following statistical information by institution and program:
- (a) the enrollment count;
 - (b) demographic statistics;
 - (c) withdrawal rates;
 - (d) completion rates;
 - (e) number of credentials awarded;
 - (f) categories of credentials awarded;
 - (g) placement rates;
 - (h) in-field placement rates; and
 - (i) average time to completion.
- (2) THEC shall publish the results of its calculations on its website except that withdrawal, completion, placement, and in-field placement rates shall not be reported for programs with ten (10) or fewer students.
- (3) Data shall include all students enrolled at the institution between the twelve (12) months beginning July 1 and ending June 30 of the year prior to the report.
- (4) Data form:
- (a) Commission staff will provide institutions either a blank data form or a spreadsheet that is prepopulated with continuing student data.
 - (b) At a minimum, the data form shall include:
 - 1. student's first name, middle initial, and last name;
 - 2. student's social security number or unique student identification number;
 - 3. demographic information, such as race, gender, and date of birth;
 - 4. program name;
 - 5. Commission staff assigned program code;

6. date started;
7. date completed or date withdrawn; and
8. placed or placed in-field along with employer contact information.

- (5) All authorized Institutions shall maintain in the student's file evidence of placement sufficient for Commission staff to verify placement. Depending on the field, sufficient evidence includes a written record of an employee of the institution, correspondence from the student, or evidence from a social media site or post indicating that the student is working independently.
- (6) If annual average institutional or individual program withdrawal rates exceed twenty-five percent (25%) or if annual average institutional or individual program in-field placement rates are less than seventy percent (70%), institutions shall explain the circumstances contributing to these rates, demonstrate how these rates are not an indicator of poor educational quality, and describe what actions the institution will take to lower the withdrawal rates and/or increase the in-field placement rates. Additionally, Commission staff may compare an institution's rates to the state average for that type of institution and/or program. Institution types are unaccredited, accredited non-degree granting, and accredited degree granting; program type is based on CIP codes and length. When an institution-level or program-level rate fails to meet the state average for two (2) consecutive years Commission staff may recommend to the Commission that adverse action be taken against the institution.

Authority: T.C.A. §§ 49-7-2005, 49-7-2006 and 49-7-2022.

1540-01-02-.199 FAIR CONSUMER PRACTICES AND STUDENT COMPLAINTS.

- (1) All institutions authorized by the Commission and their representatives shall be required to operate in accordance with fair consumer practices to ensure current and prospective students that nothing is hidden and verbal and written representations by the school-institution are accurate, such that students can make appropriate informed decisions concerning their investment of time and/or money.
- (2) Fair consumer practices means honesty, fairness, and disclosure to students in the areas of including, but not limited to, recruitment, admissions, contractual agreements, student financial assistance, obligations to repay student loans, placement assistance, and job placement rates, advertising, refund policies, the meaning and recognition of different types of accreditation, the transferability of the institution's credits to other postsecondary schools-institutions, and also includes misrepresentation concerning competitors schools. Fair consumer practices require an institution to apply its policies as written.
- (3) Students should have a reasonable expectation to complete programs as printed in the institutional catalog at the time of enrollment.
- (4) Institutions may not use mandatory arbitration provisions.
 - (a) Information regarding fair consumer practices shall be included in the institution's usual publications such as the catalog and school brochures and must always be provided by institutional recruiters and agents.
 - (b) Accredited institutions may apply accreditation standards of fair consumer practices.

- (53) Findings by Commission staff and/or ongoing complaints by current or prospective students that show a pattern of misinformation, misrepresentation, lack of disclosure, or discrepancies between verbal and written information, intimidation, or coercion may require corrective public announcements in addition to adverse action as set forth in Rule 22 of these rules or in the opinion of the Commission significant deviation from fair consumer practices may result in penal fines and/or conditional authorization or revocation of agent or institutional authorization.
- (64) An institutions authorized under these rules must report to the Commission staff in writing within thirty (30) working days any unresolved written complaints filed in a Tennessee court about their operation the institution of which the institution is they are knowledgeable (including media accounts of complaints). Such complaints shall be resolved or determined to be irresolvable by the institution within 30 working days of the receipt of the written complaint at the Commission offices. Complaints shall be considered as a factor in the decision when authorization to operate or continue in operation is sought.
- (7) Institutions may provide a discount for cash payments provided:
- (a) the institution has a written policy in the catalog that includes the definition of cash and details the qualifications for receiving and the amount of a cash discount; and
 - (b) the student verifies receipt and understanding of the policy in the pre-enrollment checklist.
- (8) An institution may award a scholarship, tuition waiver, or other similar award provided:
- (a) the eligibility requirements for the offering, including terms, conditions, application procedures, due dates, basis for selection, and amount to be awarded, are clearly defined in writing;
 - (b) the institution has a form and procedure to verify eligibility; and
 - (c) the amount of the award is a flat dollar amount or subject to calculation using a defined formula or scale.
- (9) The investigation and further review of written complaints will occur in accordance with the following provisions:
- (a) Complaints shall be signed and submitted through hand delivery, mail, or electronic mail as provided for in Rule .27 of these rules.
 - (b) Commission staff shall investigate all written complaints.
 - (c) Any named institution or agent will receive a copy of the complaint and be provided an opportunity to respond to all allegations contained in the complaint.
 - (d) Any named institution or agent shall provide all information requested by Commission staff as part of the investigation.
 - (e) As part of the investigation process, Commission staff may work with the complainant and the named institution or agent to effectuate a settlement.

- (f) Following completion of the investigation, Commission staff shall provide to all parties written determinations and proposed recommendations and provide a date by which an aggrieved party may submit a request for further review by the Executive Director as provided for in Rule.02(2)(b) of these rules. Such date shall not be earlier than ten (10) business days after the date of the determinations and proposed recommendations.
- (g) Any request for review shall be in writing, signed, list each instance where Commission staff erred, and provide a detailed explanation of each alleged error with references to specific statutes or rules. A request may be denied if it is not received in a timely manner as set forth in subparagraph (8)(f) of this rule.
- (10) Notwithstanding the provisions of paragraph (9) of this rule, Commission staff may take appropriate action to investigate any complaint or suspected non-compliance in order to protect the public interest.

Authority: T.C.A. §§ 49-7-2005, 49-7-2006, 49-7-2007, 49-7-2008 and 49-7-20132011.

1540-01-02-~~2020~~ REPRESENTATIONS, ADVERTISING, AND SOLICITATIONS.

- (1) Institutions authorized by the Tennessee Higher Education Commission may use the reference having authorization in advertising, promotional material, and on letterhead stationary using the following language: "(name of school/institution) is authorized for operation by the Tennessee Higher Education Commission." The entire statement must be used, ~~have~~with the same size font, and font-type of print.
- (2) Entities or individuals that own an authorized institution as well as a related business, for example, truck driver training and trucking company, must maintain clear separation in function and advertising of the business and the institution.
- (3) The Tennessee Higher Education Commission logo may not be used by an institution in any school advertising, brochures, telecommunications or institutional material without written approval.
- (3) ~~(4)~~ Institutions authorized by the Commission that have presence a website on, advertise through, or offer instruction via the internet, world-wide web or other electronic telecommunication means must state on the institution's home page first 'page' (as registered with standard web/internet search engines) viewed by the consumer, or Tennessee specific webpage: "[name of school/institution] is authorized for operation as a postsecondary educational institution by the Tennessee Higher Education Commission." The entire statement must be used, have the same size font, and type of print.
- (a) ~~In the case of an internet site, within the required statement given above, The reference to the "Tennessee Higher Education Commission" must be an electronic link a hyperlink to www.tn.gov/thec, to the agency's web site at <www.state.tn.us/thec> or a picture/button link using a standardized approved Commission logo for school web sites.~~
- (45) No statement shall be made that the institution or its courses of instruction have been accredited unless the accreditation is identified and that of an appropriate is an accreditor nationally-recognized accrediting agency listed by the United States U.S. Department of Education.

- (56) ~~No statement shall be made that the institution or its courses of instruction have been approved by a state or the federal government~~ **approved unless the approval can be substantiated by an appropriate certificate or letter of approval issued by the approving agency of the state or federal government.**
- (67) ~~All advertisements placed by the institution or its representatives seeking prospective students must include and clearly indicate the full and correct name of the institution, its address, and the authorized location city, and, if out-of-state, the authorized location state where the institution is located.~~
- (7) ~~Institutions that advertise in formats that will be in the public domain for long periods (such as the telephone book directory), where such advertising, if in noncompliance, cannot be rewritten or retracted may be fined in accordance with the Act for each day, week or month the advertisement is in active circulation. Such fines shall not exceed \$10,000.~~
- (8) ~~Printed bulletins or other promotional information must emphasize training available rather than amount and kinds of aid available.~~
- (98) ~~Any Promotion of the institution must primarily be based on the institution's educational programs, not student aid promotion, or the number of jobs available, must not guarantee employment, and must comply with fair consumer practices as described in Rule 19 of these rules or educational credentials.~~
- (409) ~~Other than entry level salary data available on a Tennessee or federal government website, No dollar amount or amounts will be quoted in any advertisement as representative or indicative of the earning potential of graduates without prior approval by Commission staff.~~ **Commission staff.**
- (11) ~~Institutions authorized to offer specialized courses or subjects not available to other institutions shall not advertise such courses in such manner to diminish the value and scope of courses offered by other institutions.~~
- (120) ~~Institutions or representatives shall not use images of any kind a photograph, cut- engraving, or illustration in bulletins, sales literature, or otherwise, in such a manner as to convey a false impression as to size, importance, or location of the institution, its equipment, or its and facilities associated with that institution.~~
- (13) ~~Institutions or representatives shall not use endorsements, commendations, or recommendations by students in favor of an institution except with the consent of the writer and without any offer of financial compensation, and such material shall be kept on file and made a permanent record for the institution, and such endorsements shall bear the actual name or professional name of the student.~~
- (141) ~~Institutions or representatives shall not make deceptive statements concerning other institutional activities~~ **institutions when in attempting to enroll students.**
- (15) ~~Every display type newspaper advertisement, or other advertisement placed by the institution or its representatives, through direct mail, radio, television, or directories seeking prospective students, must clearly indicate that training is being offered, and shall not, either by actual statement, omission, or intimation, imply that prospective employees are being sought.~~
- (16) ~~Classified advertising seeking prospective students must appear under "instruction,"~~

~~"education," "training," or a similarly titled classification and shall not be published under any "help wanted" or "employment" classification. (See special school section 1540-01-02-08(19) for truck driving)~~

- ~~(17) No advertisements of any type shall use the word "wanted," "help wanted," or the word "trainee," either in the headline or the body of the advertisement, nor shall any advertisement indicate in any manner that the institution has or knows of jobs or employment of any nature available to prospective students; only "placement assistance," if offered, may be advertised.~~
- ~~(18) No statement or representation shall be made that students will be guaranteed employment while enrolled in the institution or that employment will be guaranteed for students after graduation, nor shall any institution or representative thereof falsely represent opportunities for employment upon completion of any course of study.~~
- ~~(192) Other than referencing the most recent rates calculated by Commission staff, No school/institution shall use job placement percentages or statistics in advertisements or recruitment materials except by written permission of the Commission/Commission staff.~~
- ~~(20) Should a placement service be advertised, adequate records shall be maintained by these institutions advertising such placement service which will reflect employment data. However, no institution shall advertise as an employment agency under the same or a confusingly similar name or at the same location of the school. No representative shall solicit students for an institution through an employment agency.~~
- ~~(21) The Commission staff at any time may require that an institution furnish proof to the Commission of any of its advertising claims. If proof acceptable to the Executive Director of the Commission cannot be furnished, a retraction of such advertising claims published in the same manner as the claims themselves, must be published by the institution and continuation of such advertising shall constitute cause for suspension or revocation of its certificate of authorization.~~
- ~~(2213) If student tuition loans are available at the institution, the school may advertise them only with the language "student tuition loans available" in type no larger than that used for the name of the school. This does not preclude disclosure of the institution's eligibility under the various state and federal loan programs.~~
- ~~(2314) Promotional materials or agent solicitation practices must not state or infer that programs are available on a free tuition basis unless the tuition and other fee amount reported to Commission staff is zero (0).~~
- ~~(2415) No statement shall be made by an institution or its representatives that the programs and/or courses or tests are transferable to another institution without a current documentation by an authorized official of the receiving institution/articulation agreement or transfer of credit agreement.~~
- ~~(25) Claims by institutions in advertisements must be substantiated in Commission files prior to such claim.~~
- ~~(2616) Claims must not be vague. For example, "award winning" institution should include the full name of the award in advertisement/advertisement, and specify year of any such attainment, and the source of the award.~~
- ~~(17) No institution may publicize, promote or imply an accreditation that is not recognized by the U. S. Department of Education.~~

- (18) If an institution represents that it has an educational certification from any entity, other than those given by other Tennessee agencies, the institution must produce at the request of Commission staff proof of such certification.

Authority: T.C.A. §§ ~~49-7-2005~~, ~~49-7-2006~~, ~~49-7-2007~~, ~~49-7-2008~~ and ~~49-7-2013~~.

1540-01-02-.241 AUTHORIZATION STATUS.

(1) Temporary Authorization:

- (a) Commission staff will recommend temporary authorization to the Committee after determining that the institution has demonstrated through the Initial Authorization Application and a site visit that it is compliant with the Act and these rules. ~~A t~~
- (b) An institution will receive temporary authorization. ~~may be issued following:~~
- ~~1. staff review of the completed application for authorization based on these rules;~~
 - ~~2. site visitation of the proposed institutional facilities as deemed necessary and feasible by the Commission staff;~~
 - ~~3. recommendation from the Committee on Postsecondary Education Institutions; and;~~
 - ~~4. after favorable Commission action.~~
- (bc) Institutions satisfactorily, as deemed by the Commission, completing the pre-operation requirements will be notified by letter of temporary authorization. Temporary authorization must be maintained for at least twenty-four (24) months prior to eligibility for regular authorization. ~~on the basis of public Commission action.~~
- (c) ~~Institutions accredited through an accrediting agency recognized by the United States Department of Education which have satisfactorily completed the specified time as an institution with temporary authorization will be considered for an authorization certificate for a period of six years. The Commission may select a shorter period, and in no case, is such school exempt from the annual reporting requirements given in these rules. (See Annual Renewal for Authorization).~~
- (d) ~~The temporary authorization allows ninety days for initiation of actual operation and enrollment of students and unless satisfactory reasons are forwarded by letter from the applicant for not beginning operation and enrolling students, the temporary authorization may be withdrawn. All new institutions must submit a status report ninety days after receipt of temporary authorization and submit annual reports on the annual reporting schedule which requires annual fees and reports due October 15 each year.~~

(2) Regular Authorization:

- (a) ~~Institutions that complete the mandatory period of temporary authorization may~~

~~cancel all bonds required at initial authorization.~~

~~(b) Institutions accredited through an accrediting agency recognized by the United States Department of Education completing temporary authorization will be considered for an authorization certificate for each site for a period of up to six years. The Commission, when possible will tie the authorization period to the accrediting body's granting of accreditation / reaffirmation cycle.~~

~~1. Such accredited institutions eligible for regular authorization will be allowed to submit for annual reauthorization each October 15, the most recent annual reporting documents submitted to the accrediting agency along with the minimum forms required by the Commission.~~

~~((c)a) Schools with no accreditation (or schools with an affiliation under an accrediting Commission staff shall recommend for regular authorization any institution authorized for more than twenty-four (24) months that demonstrates all minimum standards for authorization through the Reauthorization Application agency not recognized by the United States Department of Education) must be reauthorized annually on forms supplied by the Commission staff.~~

~~(d) Nothing in this section shall be construed to absolve institutions of annual fee requirements, response to complaints, site visits or any Commission request for additional information or materials.~~

(3) **Conditional Authorization:**

~~(a) A Conditional authorization is teauthorization to operate is the issuance of authorization to operate, but with additional conditions, such as e.g., reporting requirements, on the meeting of certain performance standard requirements, securing new or additional bonds, authorization to operate for a limited period of time to operate such as during change of ownership, or for the purpose of teaching out existing students. Institutions with conditional authorization may also be required to suspend or cease any part of institutional activity, such as enrolling students, advertising, or conducting specific classes or programs. Such suspension or cessation shall remain in effect until activities precipitating the condition are corrected and Commission staff has completed all related reviews and investigations. Such eConditional authorization may be issued when deemed necessary to protect the public interest.~~

~~(b) As an alternative to revocation of authorization (c.f. TCA §49-7-2010 as amended), by making conditional its authorization to operate, the Executive Director may suspend or cause to cease any part of institutional activity such as enrolling additional students, advertising, or conducting specific classes or programs. Such cessation shall remain in effect until conditions precipitating the suspension of the activity are corrected with preventive measures in place and Commission staff have completed all related reviews and investigations.~~

~~(c) At the discretion of the Executive Director, the institution may be afforded the opportunity to "show cause" why a conditional authorization should not be imposed.~~

~~(db) An institution may voluntarily rrequest conditional authorization, includingincluding, but not limited to, suspension of the operation, rather than expose the institution to adverse action or loss of authorization, for situations such as unexpected loss of lease, and training site, extended travel inactivity, or~~

~~reorganizationsabbatical. Voluntary suspension and the time period involved must be approved by Commission staff.~~

- (ec) Nothing in this section shall be construed to absolve institutions of their educational and financial obligations to currently enrolled students.

(4) Revocation of Authorization:

- (a) Revocation of authorization is the immediate and complete withdrawal of the institution's authorization to enroll, advertise, or operate a postsecondary educational school institution in the state.

- (b) Possible ~~Grounds~~ for immediate revocation of authorization to operate shall include but are not be limited to:

1. loss of right to use the authorized instructional site/location without immediate notification to the Commission;
2. instances where a principal party, or owner or administrator has been or is involved with the institution who has ever been associated with a postsecondary educational institution that ceased or ceases operation with resulting in a loss of time or money for enrollees, or that had or has its institutional authorization to operate in a state revoked or had or has a felony conviction involving moral turpitude, fraud or a capital crime;
3. a pattern of deceptive practices which include: hiding of any institutional records or documents; manipulation, alteration or falsification of materials required under the Act and these regulations which impugns administrative capability, fair consumer practices or operational standards;
4. failure to correct any situation that resulted in a show-cause or conditional authorization within a reasonable time period to be determined by the Executive Director;
5. disregard for any specific directive issued by the Commission, or the Executive Director, or Commission staff;
6. failure to pay assessed required fees, penalties or fines; and
7. closing an institution without proper notification to the Commission.
8. ~~knowledgeable or demonstrated pattern of deceptive solicitation.~~

- (c) Revocation of authorization shall not relieve a school an institution of complete compliance with the requirements in these regulations these rules applicable to an institution school closing or ceasing operation, including including, but not limited to, but not limited to refunds to students, arranging instructional teach-outs, and securing the disposition of student records.

Authority: T.C.A. §§ 49-7-2004, 49-7-2005, 49-7-2008 and 49-7-2010.

1540-01-02-.2222 CAUSES FOR ADVERSE ACTION.

- (1) The Commission or Executive Director in the interest of the public welfare, consumer protection and statutory responsibility, may assess fines under this Part of five hundred dollars (\$500) per day per violation or; revoke or make conditional, deny or change the authorization of an institution or approval of an agent permit status of any permit or certificate of authorization under the process as given in subparagraph 1540-01-02.02(2)(e) of these rules for reasons including, but not limited to for any one or combination of the following causes:
- (a) disregard of provisions in of the Act and/or these regulationsthese rules;
 - (b) willful violation of any commitment made in an application for a certificate of authorization or reauthorization;
 - (c) presenting to the general public or students or prospective students information that violates Fair Consumer Practices (1540-01-02-19) as outlined in these regulationsthese rules;
 - (d) advertising, recruiting, or operating a group of classes or a program that has not been authorized approved by the Commission;
 - (e) failure to provide or maintain premises or equipment in a safe and sanitary condition as required by laws, regulations, or ordinances applicable at the authorized location of the institution;
 - (f) failure to provide and maintain adequate faculty and/or staff;
 - (g) failure to maintain financial resources adequate for the satisfactory conduct of the courses of instruction offered or to retain a sufficient and qualified instructional and administrative staff;
 - (h) conducting instructionoperating a postsecondary educational institution at a site location that which has not been authorized by the Commission;
 - (i) failure to correct findings resulting from a site visit or audit an on-site inspection or review of institutional materials;
 - (j) demonstrable a pattern of coercion, threats, or intimidation by institutional personnel to students or other school personnel;
 - (k) failure to advise the Commission about significant factors, such as:
 - 1. financial difficulties sufficient to affecting program quality, including, but not limited to, when applicable, receipt of Title IV funds;
 - 2. significant staff changes in a short period of time;
 - 3. change of ownership;
 - 4. outcomes of audits by other government agencies;
 - 5. any factor or clearly developing factor that could alter the basis for authorization;
 - 6. loss or lowering of accreditation status; and

7. legal action against the Tennessee authorized school; and
- (1) activities described in Rule .21 of these rules.-
- (2) Repeated and/or consistent violations of the Act or these regulations~~these rules~~, particularly in the same areas such as advertising, fair consumer practices or operational standards may be grounds for conditional or revocation of authorization in addition to fines.
- (3) Institutions that advertise in formats that will be in the public domain for long periods and where such advertising cannot be rewritten or retracted may be fined in accordance with the Act and these rules for each day, week, or month the advertisement is in active circulation.
- (4) Commission staff at any time may require that an institution furnish proof to the Commission of any of its advertising claims. If proof acceptable to Commission staff cannot be furnished, Commission staff may recommend to the Executive Director that the institution publish a retraction of such advertising claims in the same manner as the claims themselves. Continuation of such advertising shall constitute cause for further adverse action.
- (5) Any action by the Commission under this rule shall be in conformance with T.C.A. § 49-7-2010(c). All Commission actions are subject to due process provisions of the Tennessee Uniform Administrative Procedures Act (T.C.A. §§ 4-5-101 - §§ 4-5-311).

Authority: T.C.A. §§ 49-7-2005 and 49-7-2010.

1540-01-02-.233 -~~INSTITUTIONAL CLOSURE.~~

- (1) When an authorized postsecondary educational institution proposes to discontinue its operation, such institution shall notify the ~~Commission staff~~ Commission staff within seventy-two (72) ~~-72~~ hours of that decision.
- (2) Commission staff will provide the institution a list of items that must be provided to Commission staff to close the institution in good-standing and a due date by which to provide the items, and shall submit to Commission staff within 10 days (or other deadline established by Commission staff) a plan to fulfill all obligations given below. Such plan shall ~~The list may include but not be limited to:~~
- (a) aAnticipated date to terminate teaching activity;
- (b) eEnding date of present term;
- (c) aA listing by name of all students in all programs. Such list shall include student's social security number, unique student identification number, ~~ocial security number, address, and phone number, program of enrollment enrolled in, and estimated graduationcompletion dates;~~
- (d) tThe status of all current refunds due or the amount of rent refunds due ~~(the amount of unearned tuition paid by each student and for which the school is obligated);~~

- (e) ~~a~~ A verified agreement with one or more local institutions able to provide sound education to all students in all programs;
 - (f) ~~d~~ Disposition and servicing of all student records as required by T.C.A. §49-7-2016;
 - (g) ~~a~~ A request for conditional authorization to operate where required;
 - (h) ~~updated statistical data. Completion of obligations as designated by Commission staff by established deadlines.~~
 - (i) ~~official transcripts and certificates; and Submission of any information or materials related to the closure requested by staff.~~
 - (j) ~~d~~ Demonstration that current educational obligations by the institution will be met on behalf of the presently enrolled students.
- (23) ~~The~~ An institution which proposes to ~~that~~ ceases operations shall maintain sufficient and qualified faculty, staff, and equipment to teach all subjects to all currently enrolled students, regardless of the size of the class, until such time as the institution closes.
- (34) Should the institution fail to make arrangements satisfactory to the ~~e~~ Executive ~~d~~ Director for the completion of the programs in which the currently enrolled students are enrolled and/or for the reimbursement of unearned tuition and fees, the institution shall be subject to fines ~~as stipulated in T.C.A. 49-7-2017.~~
- (45) Institutions that close without proper notification to the Commission or that fail to comply with closure obligations given in this ~~rule~~ section (1540-01-02-23) may be deemed retroactively by the Executive Director to have had the institutional authorization officially revoked. Such a revocation status shall be maintained as part of the Commission closure file on that institution and any individual(s) directly involved, including, but not limited to, the director, owner(s), ~~and/or the board chair.~~
- (56) Student Completion of Education ("Teachouts"):
- (a) The ~~e~~ Executive ~~d~~ Director may approve other authorized or exempt institutions which are ~~authorized under T.C.A. 49-7-2001 et seq. or exempt institutions to~~ teachout students who were currently enrolled in an institution which ceases operation. An approved teachout institution shall:
 1. offer the course of study or similar course of study as those offered at the closed institution;
 2. ~~exist or be provided be~~ in the same geographic area as that in which the closed institution existed or provide necessary transportation expenses;
 3. provide the student the opportunity to complete ~~his/her~~ the program at no additional cost ~~in excess of that~~ than for which the student originally contracted at the closed institution;
 4. accept any and all credits earned at the closed institution; and
 5. not reduce total course hours required for the student to graduate ~~complete~~.

- (b) If the closed or closing institution fails to provide an acceptable plan to the executive director, ~~the Commission staff~~ Commission staff may work toward effecting teachout arrangements or transfer agreements with other authorized institutions.
- (c) Teachout plans may involve other institutions or be carried out by the terminating institution as circumstances may dictate.
- (d) ~~The teachout plan requirement is intended to supplement, not supplant, the provisions concerning the disposition of records when an institution closes, as indicated in T.C.A. 49-7-2016.~~

~~(6) Disposition of Records:~~

- (a) ~~Any institution ceasing operation must secure student educational transcripts by an arrangement with an authorized institution or make them available to the Commission.~~
- (b) ~~When financial aid and academic transcripts from closed institutions are prepared for delivery to the Tennessee Student Assistance Corporation and the Tennessee Higher Education Commission, such academic and financial records, each, shall be sorted and separated by year, in alphabetical order, and physically contained in boxes 15 inches long, 12 inches wide, 10 inches high with tops and with handles, consistent with State of Tennessee Archives regulations.~~
- (c) ~~Financial aid transcripts must be organized, marked and boxed separately from academic transcripts.~~

Authority: T.C.A. §§ 49-7-2002, 49-7-2005 and 49-7-2016.

1540-01-02-.244 – FILING METHODS AND REQUIREMENTS.

- (1) Unless otherwise provided in an application, all filings must be received via hand delivery, mail, electronic mail, or facsimile. Current addresses and fax numbers will be posted on the THEC webpage.
- (2) As to any filing requiring the payment of a fee, the fee must be submitted along with the filing or else the filing will be considered incomplete pursuant to Rule .07(1)(b).
- (3) Filings shall be received at DPSA on the due date. Items postmarked on the due date but not received at DPSA will be deemed late-filed and, if applicable, may be deferred pursuant to Rule 07(1)(a).

TUITION GUARANTEE FUND (TGF).

- ~~(1) Tuition guaranty fund' or 'TGF' or 'fund' means the tuition guaranty fund created by TCA 49-7-2018.~~
- ~~(2) No institution organized as an in-state private postsecondary vocational education institution covered under the Act is exempt from the Tuition Guaranty Fund as described in TCA 49-7-2018.~~

Authority: T.C.A. §§ 49-7-2005 and 49-7-2018.

1540-01-02-.255 — FEES.

- (1) All fees collected pursuant to the provisions of this part shall be deposited in the state treasury as a special agency account to administer the provisions of this part.
- ~~(2) The Commission is authorized to adjust fees annually hereafter based on the intent to collect revenues sufficient to cover the cost of this regulatory function (e.g. travel, employee costs, legal costs, expert fees).~~
- (23) Annual reauthorization fees shall be paid with the Reauthorization Application as follows:

(a) Annual Reauthorization Fee:

- 1. a fee of five hundred dollars (\$500) if enrollment is zero (0) to three hundred (300) students;
- 2. a fee of one thousand five hundred dollars (\$1,500) if enrollment is three hundred and one (301) to six hundred (600) students; and
- 3. a fee of three thousand five hundred dollars (\$3,500) if enrollment is six hundred and one (601) or more students.

(b) Reauthorization Extension Fee \$500

(c) Late Reauthorization Fee \$500

- ~~(3) The following fees apply to the filing of The fees to be collected by the Commission hereunder shall accompany an applications for authorization to operate an institution or an application for an agent's permit, or other application required by these rules in accordance with the following and other services schedule:~~

~~(a) Late Renewal Fee (in addition to base renewal fee) \$1,000~~

~~(b) Renewal Extension Fee (in addition to base renewal fee) \$500~~

~~(ca) Initial New School Authorization Application \$3,00~~

(b) New Programs Application \$500

..... Each Proposed Program \$500

(d) Associate Degree Granting Institutions (in addition to base initial \$1,000

..... application and program fee)

(e) Bachelor Degree Granting Institutions (in addition to base initial \$2,000

..... application and program fee)

(f) Masters Degree Granting Institutions (in addition to base initial \$3,000

..... application and program fee)

(g) Doctoral Degree Granting Institutions (in addition to base initial \$4,000

..... application and program fee)

(ch) Authority for Unaccredited Institutions to Grant Degrees—Unaccredited Institutions (in addition \$1,000

(paid in addition to base initial application, program and degree level the New Program Application fee fees)

(i) New Programs—Authorized Institutions \$500

(d)	Degree Credential Level Elevation for -- Authorized Institutions	\$24,0
	(paid in addition to the New Program Application fee)	
(ek)	Agent Permit Application Fee In-State -- Initial Application	\$500
(fl)	Agent Permit Application Agent Fee In-State -- Renewal Application	\$250
(m)	Agent Fee Out of State -- Initial Application	\$600
(n)	Agent Fee Out of State -- Renewal Application	\$300
(eg)	Institution al-Name Change Application	\$500
(hp)	Change of Address Location Application	\$500
(qi)	Non-compliance-Fines (assesses at a maximum of per day, per violation)	\$500
(i)	Exemption Determination Application	\$100
(k)	Closed Institution Transcript Request	\$10
(l)	Convenience Charge for Electronic Payments	amount charged by vendor
(4)	Reauthorization fees for in-state institutions are based upon an institution's annual gross tuition revenue collected during the previous fiscal year (July 1 to June 30). Reauthorization fees for out-of-state institutions are based on an institution's annual gross tuition revenue collected from Tennessee students during the previous fiscal year (July 1 to June 30). In each instance the reauthorization fee shall equal point seventy five percent (.75%) of the annual gross tuition collected with a minimum fee of five hundred dollars (\$500) and maximum fee of twenty five thousand dollars (\$25,000).	

Authority: T.C.A. §§ 49-7-2005, 49-7-2014 and 49-7-2017.

1540-01-02-26 REFUND OF REGULATORY FEES.

- (1) At the request of an institution a refund will be made as follows:
 - (a) If an institution withdraws a pending application within three (3) working days from receipt or prior to the start of Commission staff's review, then all fees assessed shall be refunded.
 - (b) If an institution withdraws a pending application more than three (3) working days from receipt and once Commission staff review begins, the Commission may retain fifty percent (50%) of the assessed fees.
 - (c) Once Commission staff's review of a pending application is complete or a site visit has been conducted, the Commission may retain one hundred percent (100%) of the assessed fees.
 - (d) Institutions that fail to complete the application process described in Rule 1540-01-02-07(1)(b) shall forfeit all fees paid.
 - (e) Any other fee collected is nonrefundable once Commission staff has performed the associated review or work related to that fee.

Authority: T.C.A. §§ 49-7-2005 and 49-7-2014.

RULES OF THE TENNESSEE HIGHER EDUCATION COMMISSION
CHAPTER 1540-01-10
REGULATION OF POSTSECONDARY EDUCATIONAL INSTITUTIONS WITH OPTIONAL EXPEDITED
AUTHORIZATION (OEA)

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1540-01-10-.01 INCORPORATION OF RULES.

- (1) Rules 1540-01-02-.01, .02, .04, .18 and .26 shall be incorporated into this Rule Chapter as if fully written herein.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.02 DEFINITIONS.

- (1) "Accreditation" is a non-governmental, peer evaluation of educational institutions and programs. Private educational associations of regional and national scope that have adopted criteria for educational programs and have developed procedures for evaluating institutions or programs. These criteria determine whether or not institutions or programs are operating at basic levels of quality. The Commission only recognizes accrediting agencies that are recognized by the U.S. Department of Education.
- (2) "Act" means the Tennessee Higher Education Authorization Act of 2016, T.C.A. §§ 49-7-2001, et seq., as amended.
- (3) "Articulation and transfer of credit agreement" means an arrangement between two (2) higher education institutions that is approved and signed by authorized institutional representatives and constructed by faculty in the discipline that (1) equates for transfer of a defined set or block of academic credits that will meet requirements of a specified program at a degree-awarding institution or (2) provides that a specific credential from one institution will meet the admission education requirement for a program leading to a higher credential at a second institution.
- (4) "Authorization to operate" means approval of the Commission to operate or to contract to operate a postsecondary educational institution in this state as described in T.C.A. § 49-7-2007(1) – (3) or (5). Authorization to operate is for a specified time at a specified location. Institutions shall not use an authorization to operate to connote greater approval than simple permission to operate. Terms which may not be used include, but are not limited to, "accredited," "supervised," "endorsed," and "recommended by the Commission."
- (5) "Commission" means the Tennessee Higher Education Commission.

- (6) "Committee" means the Committee on Postsecondary Educational Institutions.
- (7) "Degree-granting postsecondary educational institution" includes institutions offering education or training above the high school level and where the institution awards degrees, such as associate, bachelors, masters, specialist, or doctoral degrees.
- (8) "Division of Postsecondary State Authorization" or "DPSA" means the division within the Tennessee Higher Education Commission tasked with overseeing the implementation and enforcement of the Act and these rules.
- (9) "Federal student financial aid programs" means any of the various loans or grants offered to students, parents, or institutions through Title IV of the Higher Education Opportunity Act, as amended.
- (10) "License" or "Licensure" includes similar terms, such as registration and certification, and means a designation from a subject matter expert state agency, board, or commission indicating that the recipient has met certain requirements for obtaining the designation, for example, a licensed massage therapist or educator.
- (11) "Location" means an address that is zoned for commercial purposes for use as a postsecondary educational institution.
- (12) "Optional expedited authorization" or "OEA" means the optional expedited authorization available pursuant to T.C.A. § 49-7-2022 and these rules to certain accredited degree-granting institutions.
- (13) "Other fees" means fees, other than tuition, paid to the institution or third parties for products or services, including, but not limited to, fees paid for tangible goods, laboratory fees, technology fees, student activity fees, graduation fees, or fees paid for housing, meals, or transportation.
- (14) "Postsecondary educational institution" includes, but is not limited to, an academic, vocational, technical, online/distance learning, business, professional, or other school, college, or university, or other organization or person, offering educational credentials, or offering instruction or educational services primarily to persons who have completed or terminated their secondary education or who are beyond the age of compulsory high school attendance, for attainment of educational, professional, or vocational objectives.
- (15) "These rules" means all rules contained in Rule Chapter 1540-01-10.
- (16) "Tuition" means any fee involving the student, actually charged or tracked as a bookkeeping item for instruction provided.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.03 ELIGIBILITY AND APPLICATION REQUIREMENTS.

- (1) In order to receive OEA, a postsecondary educational institution must meet the following eligibility requirements:
 - (a) Meet the definition of degree-granting postsecondary educational institution;
 - (b) Be accredited by a regional or national institutional accrediting agency recognized by the U.S. Department of Education; and

(c) Provide the following information and documentation as part of a signed and notarized OEA Application created by Commission staff:

1. evidence of good-standing and valid institutional accreditation from a regional or national institutional accrediting agency recognized by the U.S. Department of Education;
2. documentation evidencing an established, clearly articulated, and comprehensive process for the resolution of student complaints. In order to be a comprehensive process, the process must contain:
 - (i) a detailed explanation as to how a student escalates a grievance to the highest level at the authorized institution location;
 - (ii) an opportunity for all persons involved in the complaint to be heard at any final step at the institutional location level, including, but not limited to, an appeal;
 - (iii) an explanation as to how the institution will notify students that complaints not resolved at the institutional location level may be filed with the Commission; and
 - (iv) an explanation as to how students will be notified of the institution's comprehensive process;
3. documentation demonstrating the institution is operating lawfully in Tennessee;
4. documentation demonstrating that the institution is currently maintaining financial standards and institutional stability deemed acceptable for eligibility in Title IV federal student financial aid programs. Documentation shall include at a minimum:
 - (i) the most recent independent audit completed, in part, for purposes of calculating the institution's federal financial composite score as described in 34 C.F.R. § 668.172; and
 - (ii) any correspondence issued in the past twenty-four (24) months from the Federal Student Aid Office of the U.S. Department of Education concerning eligibility for financial aid, including, but not limited to, financial ratios, a letter of credit alternative, or a provisional certification alternative as well as any related correspondence from the institution;
5. a comprehensive list or verification of all programs offered at the institution along with, when applicable, documentation evidencing receipt of all requisite program approvals from subject matter expert state licensing agencies, boards, or commissions. Evidence shall be provided for any program designed to train a student for employment in a field where a license is required in order to be employed in that field. The evidence shall clearly demonstrate that the state agency, board, or commission has determined that the program meets the educational requirements necessary to receive a license or sit for a required exam. The comprehensive list or verification shall include, at a minimum, the

following information:

- (i) program name;
- (ii) DPSA assigned program code;
- (iii) credential awarded;
- (iv) credit hours or contact hours to be awarded;
- (v) length of time expected to complete the program;
- (vi) cost of program tuition;
- (vii) cost of other fees;
- (viii) program status;
- (ix) a Classification of Instructional Programs (CIP) code;
- (x) whether programmatic accreditation is required for the program and the name of the accreditor that has reviewed and accredited the program; and

- 6. the website address to the gainful employment data for gainful employment programs. The address should provide a reasonable person easy access to this information;
- 7. a report of any illegal or unethical conduct by employees, agents, contractors, or third-party service providers related to the delivery of educational programs and services to students with any corrective action and remedies taken by the institution;
- 8. a description of the ownership of the institution and when applicable, a corporate flowchart showing the institution's position in relationship to all affiliated corporate entities;
- 9. copies of all executed articulation and transfer of credit agreements with other institutions operating in Tennessee;
- 10. the most recently calculated three-year (3) official cohort default rate from the Office of Federal Student Aid of the U.S. Department of Education. Institutions with official cohort default rates for the three most recent years equal to or greater than thirty percent (30%) or a current official cohort default rate greater than forty percent (40%) are not eligible for OEA; and
- 11. statistical data as described in Rule 1540-01-02-.18.

(2) After receipt of an institution's application, Commission staff shall conduct a detailed review and verification of the application. OEA applications will be processed as follows:

- (a) Upon satisfactory examination of all submitted documentation, Commission staff will recommend the application for recommendation of approval by the Committee to the Commission. Thereafter, the Committee's recommendation will

be submitted to the Commission and upon approval by the Commission. Commission staff shall issue notification of the OEA status noting that it is valid for one (1) year.

- (b) If the Commission upon review and consideration of the application determines the applicant is not eligible and fails to meet the OEA criteria established in this section, the Commission shall notify the applicant of its decision to deny the application and set forth the reasons for the denial in writing. Such denial can be reviewed as further described in Rule .05 of these rules.
- (c) In order to continue OEA for an additional year, an institution must complete an application as described in Rule .03(1)(c) of these rules and file it with Commission staff by the due date immediately preceding the expiration date of the institution's current OEA. In the event that an application is timely filed but is not considered by the Commission prior to the current OEA expiration date, Commission staff may continue an institution's OEA for not more than six (6) months.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.04 REQUIRED NOTIFICATIONS TO COMMISSION STAFF.

- (1) OEA institutions shall notify Commission staff, within five (5) business days, of the following:
 - (a) action by an accrediting agency in regard to the institution's accreditation status, such as revocation, suspension, probation, warning, or similar action;
 - (b) notice of legal action involving the institution, or its parent entity if applicable, and Tennessee students, related to the delivery of educational programming or student consumer practices, including, but not limited to, class action lawsuits;
 - (c) utilization by the institution of a letter of credit or a cash management agreement with the U.S. Department of Education; or
 - (d) public announcement of investigation by any governmental agency. The institution shall notify Commission staff whether the investigation is related to the institution's academic quality, financial stability, or student or consumer practices.
- (2) Institutions shall submit a New Program Notification Form on the Committee meeting due dates for any programs implemented since the last due date. Once processed, Commission staff will issue the institution a program code for use when submitting statistical data.
- (3) At the request of Commission staff, the Executive Director, the Committee, or the Commission, OEA institutions shall provide any information deemed necessary to monitor the institution's eligibility for OEA.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.05 DENIAL OF OEA STATUS.

- (1) A decision of the Commission to deny OEA status shall be provided to the institution in writing through the Executive Director, provide the basis for denial, and be effective as of the date of the decision.

- (2) Any person aggrieved by a decision of the Commission respecting denial of OEA status shall have the right to a hearing and review of the decision by the Commission as provided in T.C.A. § 49-7-2022(q) and these rules. An aggrieved party for purposes of this rule is any postsecondary educational institution denied OEA status.
- (3) If an aggrieved party desires a hearing and review, the party shall file a written notice within ten (10) business days after the date of the Commission's written notice of denial. If written notice is not provided by an aggrieved party, then the action shall be deemed final.
- (4) Upon receiving notice from an aggrieved party, the Commission shall fix the time and place for a hearing and shall notify the aggrieved party of the time and place of the hearing. The Commission may vote to have an administrative law judge from the Administrative Procedures Division of the Tennessee Secretary of State's Office conduct a contested case proceeding and issue an initial order pursuant to the Uniform Administrative Procedures Act.
- (5) At the hearing, the aggrieved party may employ counsel, shall have the right to hear the evidence upon which the action is based, and present evidence in opposition or in extenuation. If an administrative judge is not appointed, then any member of the Commission may preside except when a clear conflict of interest may be demonstrated.
- (6) Any decision by the Commission or an initial order by an administrative law judge shall include a statement of findings and conclusions upon all material issues of fact, law or discretion presented at the hearing and the appropriate rule, order, sanction, relief, or denial thereof.
- (7) Any final decision of the Commission shall be subject to the right of judicial review provided in T.C.A. § 49-7-2012.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.06 REVOCATION OF OEA STATUS.

- (1) OEA may be revoked for just cause. Revocation can occur as a result of:
 - (a) a vote of the Commission on its own motion or on the recommendation of the Committee or the Commission staff, or
 - (b) a determination of the Executive Director pursuant to Rule 1540-01-02-.02(e).
- (2) Just cause includes activities where the institution acted contrary to the public interest, exhibits questionable financial strength, or is not operating educational programs with acceptable outcomes and includes, but is not limited to:
 - (a) Loss or failure to meet any of the listed criteria for eligibility in Rule .03(1) of these rules;
 - (b) Failure to fulfill the requirements in Rule .03 of these rules;
 - (c) A finding resulting from a signed student complaint that:

1. the institution did not follow its policies as presented to the student; or
 2. the institution hid a fact or made a verbal or written inaccurate representation to the student that affected the student's ability to make an appropriate decision concerning the student's investment of time and money.
- (d) Having an institution-level or program-level withdrawal, completion, placement, or in-field placement rate that is less than the state average rate for other OEA institutions or a program type for more than two (2) consecutive years;
 - (e) Providing false or misleading statistical data;
 - (f) Failure to comply with the requirements of the tuition guaranty fund under § 49-7-2018 and the related rules;
 - (g) A three-year federal financial aid cohort default rate as calculated by the U.S. Department of Education of thirty percent (30%) or higher for three (3) consecutive years or over forty percent (40%) for any single year; or
 - (h) Allowing OEA to expire without timely filing an OEA Application or Initial Authorization Application.
- (3) Upon revocation of any institution's OEA, the following shall occur:
 - (a) The institution shall immediately be subject to all provisions of the Act and Rule Chapter 1540-01-02.
 - (b) The institution shall apply for Commission authorization under T.C.A. § 49-7-2008 and Rule Chapter 1540-01-02 by the next due date which is more than ten (10) business days from the date of revocation.
 - (c) The Executive Director may grant the institution conditional authorization to continue its operation as a non-OEA institution. Such conditional authorization shall not be for more than six (6) months. Failure to fulfill all conditions of authorization within six (6) months may lead to revocation of authorization.
 - (d) Any institution whose OEA is revoked by the Commission shall be ineligible to reapply for OEA for no less than twenty-four (24) months from the date of revocation.
 - (4) Notwithstanding paragraphs (1) through (3) of this rule, no immediate action should be taken to revoke an institution's OEA when the institution's accreditor is removed from the U.S. Department of Education's list of recognized accreditors. The Executive Director shall set a time period in which institutions may continue to operate under OEA, assuming all other OEA requirements are met. The time period should coincide with the provisional time period set by the U.S. Department of Education for affected institutions to seek a new accreditor.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-07 COMPLAINTS

- (1) Commission staff shall investigate any signed student complaint involving an OEA institution after verifying that the student has escalated the complaint to the institutional

director and the institutional director has had an opportunity to investigate and resolve the complaint yet the complainant contends it remains unresolved.

(2) Commission staff's investigation shall determine:

(a) whether the institution followed its policies as represented to the student; and

(b) whether the institution failed to disclose a fact or made a verbal or written inaccurate representation to the student that affected the student's ability to make an appropriate decision concerning the student's investment of time and money.

(3) When determining whether a finding is appropriate, Commission staff shall take into consideration any reasonable offers the institution made to resolve the student's complaint at the institutional level.

(4) The investigation will proceed as follows:

(a) Complaints shall be signed and submitted through hand delivery, mail, or electronic mail as provided for in Rule .08 of these rules.

(b) Any named institution will receive a copy of the complaint and be provided an opportunity to respond to all allegations contained in the complaint.

(c) Any named institution shall provide all information requested by Commission staff as part of the investigation.

(d) As part of the investigation process, Commission staff may work with the complainant and the named institution to effectuate a settlement.

(e) If there are no findings, the complaint will be closed and the written determination shall include a date by which an aggrieved party may submit a request for further review by the Executive Director as provided for in Rule 1540-01-02-.02(2)(b). Such date shall not be earlier than ten (10) business days after the date of the written determinations. If no request for review is received, the complaint will be closed.

(f) If there are findings and proposed recommendations, the following process will be used:

1. Commission staff shall provide in the written determinations and proposed recommendations a date by which either party may respond to the findings or recommendations. Such date shall not be earlier than ten (10) business days after the date of the written determinations.

2. Following review of the responses, if any, Commission staff may:

(i) determine that the complaint is closed by providing written notice to the parties. The written notice shall include a date by which an aggrieved party may submit a request for further review by the Executive Director as provided for in Rule 1540-01-02-.02(2)(b). Such date shall not be earlier than ten (10) business days after the date of the written determinations; or

(ii) recommend that the Executive Director take some action that is within the scope of the proposed recommendations. Any decision of the Executive Director to take action will be provided to the parties by letter and shall include a date by which an aggrieved party may submit a request for further review by the Executive Director as provided for in Rule 1540-01-02-.02(2)(b). Such date shall not be earlier than ten (10) business days after the date of the written determinations.

(g) Any request for review shall be in writing, signed, list each instance where Commission staff erred, and provide a detailed explanation of each alleged error with references to specific statutes or rules. Requests for review shall be received through hand delivery, mail, electronic mail or facsimile. A request may be denied if it is not received in a timely manner as set forth in subparagraph (f).

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.08 FILING METHODS AND REQUIREMENTS.

(1) Application due dates and deferrals:

(a) For each quarterly meeting of the Committee, Commission staff shall establish a due date that is no more than ninety (90) days before the date of the meeting. Unless stated by Commission staff, the established due date shall apply to Optional Expedited Authorization Applications. Applications shall be received at DPSA on or before the due date. Applications received after that date will be deemed late and may be deferred to the next due date.

(b) An application submitted without the appropriate fee will be considered incomplete and will not be reviewed until all applicable fees are received. In any event, Commission staff may defer the application to the next due date.

(c) Further, an incomplete application is an application that is missing any information or contains noncompliant information. Commission staff may defer consideration of the application to the next due date.

(d) If an application is deferred, the institution shall have until the next established due date to complete the application.

(e) An application can be deferred either by the institution or Commission staff a total of two (2) times. After the second deferral, the application will be deemed withdrawn if the institution does not submit a completed application by the next due date.

(2) Unless otherwise provided in an application, all filings must be received via hand delivery, mail, electronic mail, or facsimile. Current addresses and fax numbers will be posted on the THEC webpage.

(3) Filings shall be received on the due date. Items postmarked on the due date but not received at DPSA will be deemed late.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

1540-01-10-.09 FEES.

(1) An institution shall pay a fee of nine thousand dollars (\$9,000) to the Commission with the Optional Expedited Authorization Application.

Authority: T.C.A. §§ 49-7-2005, 49-7-2022 and 49-7-2023.

* If a roll-call vote was necessary, the vote by the Agency on these rulemaking hearing rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Evan Cope, Chair	X				
Keith Wilson, Vice Chair	X				
David Kustoff, Vice Chair				X	
A C Wharton, Jr., Secretary	X				
Tre Hargett	X				
Justin P. Wilson	X				
David H. Lillard, Jr.	X				
Mintha Roach	X				
Pam Koban	X				
Pam Martin				X	
Bill Lee	X				
Nancy Dishner	X				
Siri Kadire	X				

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Tennessee Higher Education Commission on 11/16/2016, and is in compliance with the provisions of T.C.A. § 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: 08/15/2016

Rulemaking Hearing(s) Conducted on: (add more dates). 10/06/2016

Date: 12-3-16

Signature: [Handwritten Signature]

Name of Officer: Mike Krause

Title of Officer: Executive Director

Subscribed and sworn to before me on: 12-3-16

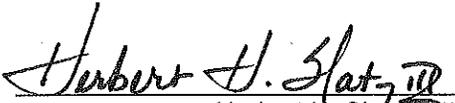
Notary Public Signature: [Handwritten Signature]

My commission expires on: 08-04-2020



Tennessee Higher Education Commission Rules
Chapter 1540-01-02 - Authorization and Regulation of Regularly Authorized Postsecondary Educational Institutions
Chapter 1540-01-10 - Regulation of Postsecondary Educational Institutions with Optional Expedited Authorization (OEA)

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.


Herbert H. Slatery III
Attorney General and Reporter

12/15/2016

Date

Department of State Use Only

Filed with the Department of State on: 12/21/16

Effective on: 3/21/17


Tre Hargett
Secretary of State

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REGULATIONS

G.O.C. STAFF RULE ABSTRACT

AGENCY: State Board of Education

SUBJECT: Employment Standards

STATUTORY AUTHORITY: Tenn. Code Ann., Section 49-1-302

EFFECTIVE DATES: March 23, 2017, through June 30, 2017

FISCAL IMPACT: None

STAFF RULE ABSTRACT: According to the Board, the proposed rule updates employment standards for non-licensed educational interpreters for deaf, deaf-blind, or hard-of-hearing students in Tennessee to require educational interpreters employed prior to January 2021, who do not satisfy the criterion for licensure, to obtain a passing score on the written portion of the Educational Interpreter Performance Assessment (EIPA) and obtain a minimum score of 3.0 on the performance assessment portion of the EIPA prior to January 1, 2021. The rule also requires non-licensed educational interpreters hired on or after January 1, 2021, to hold a minimum of an associate's degree, have a passing score on the written portion of the EIPA and have a minimum score of 3.0 on the performance assessment portion of the EIPA.

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

Not applicable.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

These rules will have no impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Rule 0520-01-02-.03 - Employment Standards describes standards for Tennessee educators. These revisions update employment standards for non-licensed educational interpreters for deaf, deaf-blind, or hard-of-hearing students in Tennessee. The revisions now require educational interpreters employed prior to January 2021, who do not satisfy the criterion for licensure, to obtain a passing score on the written portion of the Educational Interpreter Performance Assessment (EIPA) and obtain a minimum score of 3.0 on the performance assessment portion of the EIPA prior to January 1, 2021. The rule as revised also requires non-licensed educational interpreters hired on or after January 1, 2021, to hold a minimum of an associate's degree, have a passing score on the written portion of the EIPA and have a minimum score of 3.0 on the performance assessment portion of the EIPA.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

Pursuant to T.C.A. § 49-1-302, it is the duty of the State Board, and it has the power to develop and adopt policies governing the qualifications, requirements and standards of and provide the licenses and certificates for all public educators.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

This rule most directly affects local boards of education and educators who have neither urged adoption nor rejection of this rule. The State Board supports the rule change, and has received no objection from the local boards of education and/or educators

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

N/A

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

N/A

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Elizabeth Taylor
Elizabeth.Taylor@tn.gov

Nathan James
Nathan.James@tn.gov

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Elizabeth Taylor
Elizabeth.Taylor@tn.gov

Nathan James
Nathan.James@tn.gov

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Elizabeth Taylor
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- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

N/A

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Division of Publications
 312 Rosa L. Parks Avenue, 8th Floor Snodgrass/TN Tower
 Nashville, TN 37243
 Phone: 615-741-2650
 Email: publications.information@tn.gov

For Department of State Use Only

Sequence Number: 12-14-16
 Rule ID(s): 6385
 File Date: 12/23/16
 Effective Date: 3/23/17

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to Tenn. Code Ann. §§ 4-5-202, 4-5-207, and 4-5-229 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within ninety (90) days of the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by ten (10) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of ten (10) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission:	State Board of Education
Division:	
Contact Person:	Elizabeth Taylor
Address:	710 James Robertson Parkway Andrew Johnson Tower 1 st Floor Nashville, TN
Zip:	37243
Phone:	615-253-5707
Email:	Elizabeth.Taylor@tn.gov

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
0520-01-02	Administrative Rules and Regulations
Rule Number	Rule Title
0520-01-02-.03	Employment Standards

**RULES
OF
THE TENNESSEE DEPARTMENT OF
EDUCATION THE STATE BOARD OF
EDUCATION**

**CHAPTER 0520-01-02
ADMINISTRATIVE RULES AND REGULATIONS**

0520-01-02-.03 EMPLOYMENT STANDARDS.

- (1) A teacher or principal shall hold a valid Tennessee teacher license with an endorsement covering the work assignment as provided in T.C.A. Title 49, Chapter 5.
- (2) A teacher may teach up to two sections of one course outside the area of endorsement. For a teacher to teach more than one course or more than two sections of one course outside the area of endorsement, an employment standard waiver must be requested and approved. Teachers assigned two or more sections of a course outside the area of endorsement before June 30, 1976 may continue to teach those courses until a new assignment is made by the local school officials.
- (3) A classroom teacher with an endorsement in elementary education or early childhood education is eligible to teach any subject, including art, music, and physical education in the grades covered by the endorsement as part of the teacher's regular classroom assignment. However, a teacher with a professional license pursuant to State Board Rule 0520-02-04-.01(2)(c), may teach Algebra I at any grade level if they have:
 - (a) An endorsement to teach through at least grade eight (8), and
 - (b) A passing score on the middle school math PRAXIS, and
 - (1) Successful completion of a state-approved training, or
 - (2) A passing score on a supplemental test in the content area approved for this purpose by the State Department of Education, or
 - (3) A one (1) year, two (2) year, or three (3) year Tennessee Value-Added Assessment System (TVAAS) score of Level five (5) in Algebra I in the 2011-12, 2012-13, or 2013-14 school years.
- (4) A teacher in grades K through 8 who teaches art, music, or physical education the major portion of the day shall be endorsed in art, music, or physical education respectively. However, a teacher endorsed in elementary education who was assigned to teach music, art, or physical education the major portion of the day during the 1990-91 school year may continue to teach the specific course until such time as a new assignment is made by the local school officials.
- (5) A teacher with a license endorsed in a subject 7-12 may teach any subject in grade six covered by the endorsement.
- (6) Principals.

(Rule 0520-01-02-03, continued)

- (a) Effective September 15, 2009, assistant principals, teaching principals, or dual assignment personnel with more than fifty percent (50%) of their responsibilities involved in instructional leadership must be properly licensed or be enrolled in a State Board approved instructional leadership preparation program.
 - (b) A principal shall hold one of the following endorsements: beginning administrator, professional administrator, administration/supervision, or principal.
 - (c) Individuals employed for the first time as a principal beginning July 1, 1994, shall hold an appropriate endorsement and shall meet the requirements for test/assessment specified by the State Board of Education.
 - (d) Individuals employed for the first time as a principal beginning July 1, 1994, shall be employed with the beginning administrator, administration/supervision or principal endorsements for a maximum of three years; after three years, the principal must be recommended for and attain the professional administrator endorsement for continued employment as a principal. In the event that a candidate changes employment prior to obtaining the professional administrator endorsement, the candidate may be employed again as a beginning principal prior to obtaining the professional administrator endorsement.
 - (e) A principal, with the approval of the superintendent, shall establish and implement an annual plan for personal professional development in accordance with guidelines established by the State Board of Education.
 - (f) A principal of a school with less than 225 students shall not be required to meet the requirements of (a), (b), or (c).
 - (g) A principal holding an endorsement in administration/supervision, supervisor of instruction, or principal on August 31, 1994, shall not be required to meet the requirements of (b) or (c).
- (7) Teaching Personnel in Gifted Education
- (a) A classroom teacher in special or general education providing direct instruction to students identified by state criteria as intellectually gifted students shall meet the following employment standards:
 - 1. The teacher shall be endorsed in the appropriate general education area or must hold the appropriate special education endorsement and
 - 2. The teacher shall meet one of the following standards:
 - (i) The teacher shall work in consultation with a teacher who meets the standards for consulting teachers listed in (b) or
 - (ii) The teacher shall have completed six semester hours of college or university course work or the equivalent contact hours in teaching gifted students approved by the Department of Education or
 - (iii) The teacher shall hold an endorsement in gifted education.
 - (b) A consulting teacher in special or general education who works with other teachers or who teaches classes especially designed for gifted students in grades prekindergarten through twelve shall meet the following employment standards:

(Rule 0520-01-02-03, continued)

1. The consulting teacher shall be endorsed in the appropriate general education area or must hold the appropriate special education endorsement and
 2. The consulting teacher shall meet one of the following standards:
 - (i) The consulting teacher shall have completed six semester hours of college or university coursework or the equivalent contact hours in teaching gifted students approved by the Department of Education or
 - (ii) The consulting teacher shall hold an endorsement in gifted education.
- (c) An individual who serves as a gifted education coordinator in special or general education shall meet one of the following employment standards:
1. The individual shall hold an educator license with an endorsement in gifted education or
 2. The individual shall hold an educator license and shall have completed six semester hours of college or university coursework or the equivalent contact hours in teaching gifted students approved by the Department of Education or
 3. The individual shall hold a license endorsed in one of the following, beginning administrator, professional administrator, administration/supervision or supervisor of instruction.

A classroom teacher who was endorsed in special education prior to September 1, 1989 and who served gifted students prior to July 1, 1988, may continue to teach eligible intellectually gifted students, provided that they have completed an in-service training program approved by the Department of Education.

- (8) Teachers of Computer Technology, Grades 9-12.
- (a) A teacher of personal computing, computer productivity applications, and interactive multimedia design shall have a valid Tennessee teacher license with an endorsement in grades 7-12 and shall have completed the equivalent of six semester hours of computer course work or have the appropriate endorsement.
 - (b) A teacher of BASIC and adventures in computing shall have a valid Tennessee teacher license with an endorsement grades 7-12 and shall have completed the equivalent of six semester hours of computer course work including at least one programming language.
 - (c) A teacher of programming languages and advanced placement computer science shall have a valid Tennessee teacher license with an endorsement grades 7-12 and shall have completed the equivalent of 12 semester hours of computer course work including six semester hours of programming.
- (9) Career and Technical Education
- (a) A teacher of agricultural education shall hold a valid Tennessee teacher license with appropriate endorsement and shall have appropriate work experience.
 - (b) A teacher of marketing education shall hold a valid Tennessee teacher license with appropriate endorsement and shall have two (2) years of appropriate experience in marketing education.

(Rule 0520-01-02-.03, continued)

- (c) A teacher of health science education shall have completed one (1) year of successful employment experience, obtained through full-time or part-time status, within the past five (5) years in a related health occupation prior to teaching.
 - (d) Other occupational educators shall be a high school graduate or higher. The teacher shall have a minimum of five (5) years of appropriate and current work experience in the field for which application is made. A combination of career and technical education at the postsecondary level from a state approved institution, or other accredited public or private institution, may also be evaluated. The amount of credit awarded for work experience through postsecondary education shall depend on the endorsement and related industry.
- (10) Other Instructional and Related Personnel.
- (a) A school counselor shall hold the appropriate license and endorsement for the grade levels assigned.
 - (b) A school psychologist shall hold a valid license with the school psychologist endorsement.
 - (c) A school social worker shall hold a license with the school social work endorsement.
 - (d) A supervisor of instruction shall hold a valid Tennessee license with one of the following endorsements: beginning administrator, professional administrator, administrator/supervisor, or supervisor of instruction.
 - 1. Beginning July 1, 1994, individuals employed for the first time as a supervisor of instruction shall hold an appropriate endorsement and shall meet the requirements for test/assessment specified by the State Board of Education.
 - 2. Beginning July 1, 1994, individuals employed for the first time as a supervisor of instruction shall be employed with the beginning administrator, administrator/supervisor, or supervisor of instruction endorsements for a maximum of three years. After three years, for continued employment as a supervisor of instruction, the supervisor of instruction must be recommended for and attain the professional administrator endorsement. In the event that the candidate changes employment prior to obtaining the professional administrator endorsement, the candidate may be employed again as a beginning supervisor of instruction prior to obtaining the professional administrator endorsement.
 - 3. Any person who performs the duties of a supervisor of instruction, regardless of the title of such person's position, must have the endorsement or license required of a supervisor of instruction.
 - 4. Persons having an endorsement as a supervisor of instruction as of August 31, 1994, shall be issued a professional administrator license and shall not be required to meet the requirements of 1 or 2.
 - (e) A supervisor of special education shall:
 - 1. Hold a valid Tennessee license with one of the following endorsements: beginning administrator, administrator/supervisor, or supervisor of instruction and shall have three years of experience with programs for children with disabilities; or

(Rule 0520-01-02-.03, continued)

2. Hold a master's degree and a valid Tennessee teacher license with endorsement in at least one area of special education and shall have three years of experience with programs for children with disabilities.
- (f) Any person who performs the duties of a supervisor of instruction, regardless of the title of such person's position, must have the endorsement or license required of a supervisor of instruction.
- (g) Persons having an endorsement as supervisor of instruction as of August 31, 1994, shall be issued a professional administrator license.
- (h) Compensatory Education Personnel (Chapter 1).
1. A project director or supervisor of the subject areas and/or program areas shall hold endorsement as supervisor of instruction, administration/supervision or superintendent.
 2. A Chapter I evaluator shall hold a valid Tennessee teacher license or shall meet employment standards as a school psychologist or school counselor.
 3. Other professional personnel employed in Chapter I programs not otherwise covered by licensure or employment standards shall possess a valid Tennessee teacher license.
- (i) Persons holding career and technical education supervisory positions, including local directors, supervisors, coordinator specialists, assistant principals for career and technical education, and center administrators, shall have one of the following sets of qualifications:
1. A bachelor's degree in career and technical education from an accredited four-year college or university, three (3) years of teaching experience in an approved career and technical education program and two (2) years of appropriate employment experience in a recognized occupation, or
 2. A bachelor's degree with a career and technical education endorsement, three (3) years teaching experience, two (2) years of appropriate work experience, and completion of (by July 1, 2008 or within a three-year period from the date of employment) the required matrix of career and technical core competencies for professional development, or
 3. An endorsement as a PreK-12 administrator or secondary supervisor or principal and completion of (by July 1, 2008 or within a three-year period from the date of employment) the required matrix of career and technical core competencies for professional development.
- (j) Educational assistants shall have not less than a high school education or an equivalency high school diploma; those who have completed one or more years of college shall be given preference in employment.
- (k) A superintendent appointed by the local board of education elected by the general public shall only be required to have a baccalaureate degree. Any elected superintendent shall meet all qualifications set forth in these rules and regulations, which include at least a master's degree with emphasis in administration supervision and related courses.

(Rule 0520-01-02-.03, continued)

(l) All individuals employed by local school systems to provide educational interpreting for students who are deaf, deaf-blind, or hard of hearing must hold a valid Tennessee School Services Personnel license with the appropriate endorsement or must meet the following employment standards.

1. Non-licensed educational interpreters employed by a local school system prior to January 2021, shall satisfy the following requirements—requirements by defined below—beginning September 1, 1997 January 1, 2021:

(i) Obtain a passing score on the written portion of the Educational Interpreter Performance Assessment (EIPA); and

(ii) Obtain a minimum score of 3.0 on the performance assessment portion of the EIPA.

2. All non-licensed educational interpreters employed by a local schools system on January 1, 2021 or after, shall satisfy the following requirements:

(i) Hold at a minimum an associate's degree;

(ii) Obtain a passing score on the written portion of the Educational Interpreter Performance Assessment (EIPA); and

(iii) Obtain a minimum score of 3.0 on the performance assessment portion of the Educational Interpreter Performance Assessment (EIPA).

Compensation of non-licensed individuals providing educational interpreting shall be determined by the local school system and shall take into consideration the level of preparation, training, and work requirements.

1. ~~An Interpreter/Educational Assistant shall be a high school graduate or equivalent as determined by performance on the General Education Development (GED) Test; and successfully complete training or screening developed by the State Department of Education and approved by the State Board of Education.~~

2. ~~An Interpreter/Educational Tutor shall have completed a minimum of 48 semester hours of coursework at a postsecondary level; and successfully complete training or screening developed by the State Department of Education and approved by the State Board of Education.~~

3. ~~An Educational Interpreter/Instructor shall have completed a bachelors degree and a program in educational interpreting or hold a valid teacher license; and successfully complete training or screening developed by the State Department of Education and approved by the State Board of Education.~~

4. ~~Compensation of an individual providing educational interpreting shall be determined by the local school system and shall take into consideration the level of preparation, training, and work requirements.~~

(m) An audiologist shall hold a license with audiologist endorsement.

(n) A school speech-language pathologist shall hold a school service personnel license with the school speech language pathologist endorsement pursuant to 0520-02-04-.12 (2).

(o) A school speech-language teacher hired by a local school system to work under the direction of a school speech-language pathologist shall hold a school speech-language teacher license (A or B), a teacher license with a school speech-language teacher

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(Rule 0520-01-02-.03, continued)

endorsement or a teacher license with an endorsement 068 or 464 pursuant to 0520-02-03-.01(20).

(11) Personal Finance.

- (a) A teacher of personal finance shall hold a valid secondary Tennessee teacher license and
1. Complete a minimum of fourteen (14) clock hours of training provided by the State Department of Education on use of the state adopted Personal Finance curriculum or
 2. Complete fourteen (14) clock hours of training on Personal Finance provided by State Department of Education- approved organizations and/or institutions of higher education
- (b) Teachers licensed to teach Economics, Business, Marketing, and Family and Consumer Sciences meet these employment standards and may be exempted from the training requirements of subparagraph (a).

Authority: T.C.A. §§ 49-1-302, 49-2-301, 49-5-108; 49-6-6006, and Section 86 of Chapter 535 of the Public Acts of 1992. **Administrative History:** Original rule certified June 10, 1974. Amendment filed July 10, 1974; effective July 10, 1974. Amendment filed June 30, 1975; effective July 30, 1975. Amendment filed July 15, 1976; effective August 15, 1976. Amendment filed February 28, 1978; effective March 30, 1978. Amendment filed January 9, 1979; effective February 23, 1979. Amendment and new rule filed October 15, 1979; effective January 8, 1980. Amendment filed November 13, 1981; effective March 16, 1982. Amendment filed June 4, 1982; effective September 30, 1982. Amendment filed August 17, 1983; effective November 14, 1983. Amendment filed August 20, 1984; effective November 13, 1984. Amendment filed September 26, 1985; effective December 14, 1985. Amendment filed May 8, 1986; effective June 27, 1986. Amendment filed September 20, 1987; effective December 22, 1987. Amendment filed October 18, 1988; effective January 29, 1989. Amendment filed November 9, 1989; effective February 28, 1990. Amendment filed July 11, 1990; effective October 29, 1990. Repeal and new rule filed March 16, 1992; effective June 29, 1992. Amendment filed May 12, 1992; effective August 29, 1992. Amendment filed September 1, 1992; effective December 29, 1992. Amendment filed August 10, 1993; effective December 29, 1993. Amendment filed November 22, 1993; effective March 30, 1994. Amendment filed January 21, 1994; effective May 31, 1994. Amendment filed March 31, 1994; effective June 14, 1994. Amended by Public Chapter No. 957, Acts of 1994; effective May 10, 1994. (See Attorney General opinion No. 094-080). Amendment filed January 31, 1995; effective May 31, 1995. Amendment filed May 31, 1996; effective September 27, 1996. Amendment filed October 17, 1997; effective February 27, 1998. Amendment filed May 28, 1999; effective September 28, 1999. Amendment filed July 31, 2000; effective November 28, 2000. Amendment filed March 1, 2005; effective July 29, 2005. Amendments filed May 19, 2005; effective September 28, 2005. Amendment filed June 15, 2005; effective October 28, 2005. Amendment filed March 23, 2007; effective July 27, 2007. Amendments filed September 6, 2007; effective January 28, 2008. Amendment filed May 30, 2008; effective September 26, 2008. Amendment filed July 17, 2009; effective December 29, 2009. Amendments filed February 6, 2013; effective July 29, 2013. Amendments filed September 6, 2013; effective February 28, 2014. Amendment filed May 8, 2014; effective October 29, 2014. Amendment filed May 26, 2015; effective August 24, 2015. Amendment filed September 22, 2015; effective December 21, 2015.

* If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Chancey	X				
Edwards	X				
Hartgrove	X				
Johnson				X	
Pearre	X				
Roberts	X				
Rolston	X				
Tucker	X				
Troutt				X	

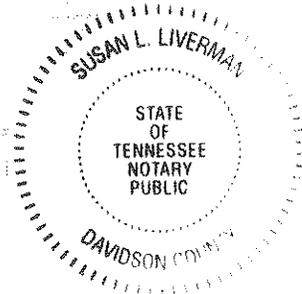
I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the Tennessee State Board of Education on 04/15/2016, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the filing of the proposed rule with the Secretary of State.

Date: December 6, 2016

Signature: [Handwritten Signature]

Name of Officer: Elizabeth N. Taylor

Title of Officer: General Counsel



Subscribed and sworn to before me on: December 6, 2016

Notary Public Signature: Susan L. Liverman

My commission expires on: 8-4-20

All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slatery III
Herbert H. Slatery III
Attorney General and Reporter

12/15/2016

Date

Department of State Use Only

Filed with the Department of State on: 12/23/16

Effective on: 3/23/17

[Handwritten Signature]

Tre Hargett
Secretary of State

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