

Briefing materials regarding diploma mills, HR 773 (*The Diploma Integrity Protection Act of 2007*), and HR 4137, Title VIII, Part H (*Diploma Mill Prevention*, contained in the *College Opportunity and Affordability Act of 2007*)

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A Mapping of HR 773 onto HR 4137

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The absence of HR 773’s “Findings” section does not change the legislation carried forward by the two bills. The instruction to the Secretary of Education to create and maintain lists of legitimate schools that is contained in both bills contains the text “for the purposes of allowing the Secretary of Homeland Security and the heads of such Federal agencies to determine, for immigration and Federal employment and hiring purposes, the legitimacy of degree-granting institutions and degrees issued by such institutions.” This recommends, rather than obliges, the directives of HR 773’s sections 6 and 7, which are missing from HR 4137. The study mandated by HR 773 section 11 can be performed by the task force that is created in both versions of the bill.

Supporting legislation that suppresses diploma mills

Diploma mills sell more degrees than are issued by all the colleges and universities in any single state except for New York and California.¹ Five per cent of the buyers are federal employees,² another five percent are state government workers.³ Nearly half the degrees are sold to foreign customers, many from the Middle East, who can use their purchased credentials to apply for visas to enter the United States.⁴ The ranks of diploma mill customers include U.S. intelligence officers, engineers, public school teachers, a college president, “psychiatrists,” and bogus physicians who treat patients, sometimes with lethal results.⁵

The only organized federal response to the problem of diploma mills was discontinued in 1991, just as the Internet-driven boom in the degree mill business began, when Allen Ezell, the FBI agent running the Bureau’s “Dipscam” task force retired.⁶

The *Diploma Integrity Protection Act of 2007*, submitted to the 110th Congress as House Resolution 773 by Congresswoman Betty McCollum and co-sponsors,⁷ is the first piece of federal legislation since the invention of the Internet to confront squarely and directly the problem of diploma mills. **It is deserving of strong bipartisan support, and additional co-sponsorship.** For more information, contact Emily Lawrence, Representative McCollum’s legislative director, at (202) 225-6631.

- How large is the problem?

U.S.-based diploma mills are thought to sell approximately 200,000 degrees per year.⁸ Roughly half are masters and doctoral degrees.⁹ The Council for Higher Education Accreditation describes the diploma mill business as a \$500 million industry.¹⁰ Compare this with the 2.8 million legitimate degrees awarded annually, of which 575,000 are masters and 53,000 are doctoral degrees. It appears that diploma mills sell as many doctoral degrees annually as are awarded by *all legitimate universities in the United States*.¹¹

- Why is federal intervention necessary? Isn’t this a problem to be addressed by individual states?

Diploma mills are no longer mom-and-pop operations printing documents in a garage. The Saint Regis group, based in Spokane, spread its personnel, mail drops and affiliated “schools” across 18 states and 22 countries. A change of corporate registration allows a diploma mill to slide from one state to another as legislation changes. Only a coherent partnership in which states work closely with federal authorities can suppress the diploma mill industry.

- What are the hazards posed by diploma mills?

Surely diploma mills pose threats to public safety. We do not want untrained engineers designing our airliners, or untrained physicians running pharmaceutical research programs. And we certainly do not want our children taught by teachers with purchased credentials. But national security issues are significant too: tens of thousands of degrees are sold annually to foreign nationals who can use them to seek U.S. entry visas. In the developing world, where doctors, engineers, and teachers are in desperately short supply, diploma mills’ bribery of education officials can interfere with the establishment of legitimate universities. We know from recent history that misery in unstable and failed states overflows national boundaries and spreads through the rest of the world.

- Will a diploma mill customer actually use a purchased M.D. degree?!!

Yes. John Curran used his St. Luke School of Medicine degree to treat unsuspecting patients with nonsensical patent medicines. He was imprisoned after a young woman in his care died of cancer.¹² David Karam, one of the apparent owners of SLSOM, organized a company manufacturing products described as curing skin cancer and offering potential treatments for diabetes and hepatitis. As “Executive Vice President and Chief Medical Officer” his fake M.D. lent an air of legitimacy that helped convince a pair of investors to buy \$400,000 of stock in “Bio-Life labs, Inc.” shortly before its officers abandoned the company.¹³

- Are there direct costs to taxpayers that arise due to diploma mills?

Yes, all sorts. One good example is the cost in undeserved salary raises paid to federal employees who have received promotions thanks to their purchased degrees. The salary of a mid-career federal worker who jumps a full pay grade will increase by more than \$4,000. With roughly 10,000 federal workers purchasing diploma mill degrees each year, the annual cost to tax payers of excess salary payments is hundreds of millions of dollars. That’s significant.

- How much might it cost to enforce a new federal law meant to stop diploma mills?

Allen Ezell estimates that a standing task force of four federal agents with subpoena power would be adequate. The task force would need to develop efficient methods for partnering with the courts and the regional Department of Justice offices. But this worked well during the days of Dipscam, and can be expected to be workable now. It helps that so much diploma mill activity projects electronic information across state borders, throwing it into the federal domain. Hawaii's Office of Consumer Protection, which regularly acts against diploma mills that register as Hawaii corporations, spends roughly 60 to 80 hours of attorney time during a typical action against a diploma mill. But sometimes the cases can become complex, and require considerably more time. This has been the case with the St. Regis prosecutions, which are ongoing.

- How is an effort to eradicate diploma mills viewed by the higher education community?

With great interest and support. The Council for Higher Education Accreditation, the American Council on Education, the American Association of State Colleges and Universities, the American Association of Community Colleges, the National Association of Independent Colleges and Universities, the National Association of State Universities and Land Grant Colleges, the Association of Jesuit Colleges and Universities, and the Association of Community College Trustees are actively supportive of HR 773.¹⁴ The *Chronicle of Higher Education*, which is read by nearly all university administrators, produced a special edition devoted to diploma mills some time before HR 773 was drafted. A number of universities (including Denver-based Regis University) have sued diploma mills for trademark and copyright violations; it is clear that the administrations of these schools would be glad to see progress at the federal level.

- What do HR 773 and Title VIII, Part H of HR 4137 actually do?

Among other things, the bills will empower the Departments of Education and Homeland Security to stop the use of fake degrees for purposes of federal employment and immigration, and direct the Federal Trade Commission to act against diploma mills that claim to have been recognized as legitimate universities. It will assemble a commission of experts from the higher education, law enforcement, and legislative communities to address matters of federal-state cooperation, recognition of new institutions, identification of offshore diploma mills, and strategies for efficient enforcement and swift prosecution when appropriate. The commission will propose model legislation for adoption by states with weak standards.

¹ Allen Ezell, who ran the FBI's "Dipscam" task force until his retirement, estimates that diploma mills run by Americans sell 200,000 degrees per year. The estimate is imprecise, but reasonable. It is based on an analysis of information from an informant employed by the University Degree Program (by far the largest of all diploma mills), a survey of the frequency of appearance of various known diploma mills in resumes posted to Monster.Com, data presented during 1985 congressional hearings chaired by Rep. Claude Pepper, and information released by the Department of Justice concerning the St. Regis University buyer's list during the course of its prosecution of the mill's alleged operators. All information we have seen is consistent with this astonishingly large figure. Probably half the credentials sold are either master's or doctoral degrees. This figure should be compared with the total number of legitimate master's and doctoral degrees awarded during the 2004-05 school year, 574,618 and 52,631 respectively. According to the National Center for Education Statistics ([Hhttp://nces.ed.gov/H](http://nces.ed.gov/H)), colleges and universities in California awarded 309,291 post-secondary degrees that year, while New York schools awarded 240,316 degrees. Texas is third nationally, with 171,298 degrees.

² Ibid. In addition, see court documents associated with *USA vs. Randock et al.*, filed 10/05/2005 (case no. 2:2005cr00180).

³ See material from Congressman Claude Pepper's 1985 congressional hearings on diploma mills. A description of the hearings can be found in the New York Times archives: see "Falsified Degrees Growing Problem," Philip M. Boffey, December 12, 1985. The article is available online here: [Hhttp://query.nytimes.com/gst/fullpage.html?sec=health&res=9F00E3DF143BF931A25751C1A963948260H](http://query.nytimes.com/gst/fullpage.html?sec=health&res=9F00E3DF143BF931A25751C1A963948260H).

⁴ Court documents associated with *USA vs. Randock et al.*, filed 10/05/2005 (case no. 2:2005cr00180).

⁵ Various news stories. See synopses at [Hhttp://www.hep.uiuc.edu/home/g-gollin/pigeons/H](http://www.hep.uiuc.edu/home/g-gollin/pigeons/H).

⁶ Allen Ezell and John Bear, *Degree Mills: The Billion-Dollar Industry That Has Sold Over a Million Fake Diplomas*, Prometheus Books, Amherst, New York (2005).

⁷ [Hhttp://thomas.loc.gov/cgi-bin/bdquery/z?d110:h773:H](http://thomas.loc.gov/cgi-bin/bdquery/z?d110:h773:H)

⁸ Op. cit.: footnote 1.

⁹ My estimate is based on an assay of somewhat over 100 University Degree Program customers whose educational credentials were listed on their employer's web site.

¹⁰ May 4, 2007 letters from CHEA to the governors, attorneys general, and secretaries of education of each of the fifty states.

¹¹ Op. cit.: footnote 1.

¹² Op. cit.: footnote 5.

¹³ See various SEC filings for Bio-Life Labs, Inc. including [Hhttp://www.secinfo.com/dsWxw.11Za.htm](http://www.secinfo.com/dsWxw.11Za.htm) (June 30, 2004), [Hhttp://www.secinfo.com/dUuzd.zpw.htm](http://www.secinfo.com/dUuzd.zpw.htm) (July 8, 2005), and [Hhttp://www.secinfo.com/drdrv6.ue.htm](http://www.secinfo.com/drdrv6.ue.htm) (July 17, 2006). The stock was purchased by Chaim and Margaret Stern.

¹⁴ July 11, 2007 letter from these organizations to Congresswoman Betty McCollum expressing support and urging the House Committee on Education and Labor to schedule hearings on the bill.

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July 11, 2007

Congresswoman Betty McCollum
United States House of Representatives
1714 Longworth Building
Washington, DC 20515

Dear Congresswoman McCollum:

The Council for Higher Education Accreditation (CHEA) and the undersigned higher education associations are writing to thank you for your introduction of “The Diploma Integrity Protection Act of 2007” (H.R. 773). Diploma mills continue to be a cause for concern for legitimate higher education, students, the public, government and employers.

Serious dangers are associated with credentials from diploma mills that are unaccompanied by any evidence of education gained or competencies acquired. In some cases, e.g., the health professions, this can even be life-threatening. Some individuals actively pursue questionable credentials while others are victims of diploma mills. In either case they spend hard-earned money for credentials that can turn out to be worthless. Public and private employers are also victims when some of the hundreds of millions of dollars in tuition assistance they spend annually results in employees purchasing little more than a piece of paper. Moreover, the credentials offered by legitimate providers of higher education are diminished by the presence of purveyors of fraudulent credentials.

In a 2004 Government Accountability Office (GAO) investigation of the credentials of federal employees, a sampling of agencies revealed that 463 employees held degrees from diploma mills and other unaccredited universities. These employees worked in agencies such as the Department of Homeland Security, Department of Justice and the Department of Defense. This investigation also found that the agencies made tuition payments to diploma mills on behalf of a number of these employees.

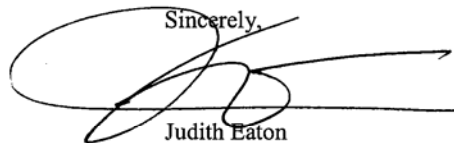
A national advocate and institutional voice for self-regulation of academic quality through accreditation, CHEA is an association of 3,000 degree-granting colleges and universities and recognizes 60 institutional and programmatic accrediting organizations

Congresswoman Betty McCollum
July 11, 2007

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We see the proposed legislation as an important beginning of federal involvement to prevent the proliferation of these fraudulent businesses and to protect the public. For this reason, we support the intent of H.R. 773 and urge that the Committee on Education and Labor schedule hearings on this bill.

Thank you.

Sincerely,

Judith Eaton
President

American Council on Education
Association of American Universities
American Association of State Colleges and Universities
American Association of Community Colleges
National Association of Independent Colleges and Universities
National Association of State Universities and Land Grant Colleges
Association of Jesuit Colleges and Universities
Association of Community College Trustees

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February 28, 2007

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The California State University

Mary Ann P. Swain
Binghamton University
State University of New York

Bob Riley
Governor of Alabama
State Capitol
600 Dexter Avenue
Montgomery, AL 36130-2751

Dear Governor Riley:

The Council for Higher Education Accreditation (CHEA), an institutional membership organization of degree-granting colleges and universities that coordinates efforts to assure academic quality in higher education through accreditation, has been focusing on the issue of degree mills and their deleterious impact on students and society for some time. Degree mills are plainly spurious providers of higher education that undermine the value of the legitimate institutions in Alabama as well as other states. They reduce the value of the degrees that are awarded. Worse, these degree mills and their fraudulent credentials threaten public safety, especially when fake degrees are offered in such vital areas as health or engineering.

The purpose of this letter is to inform you of an important recent development in combating degree mills, to acquaint you with CHEA's work this area and to offer assistance through providing additional ideas and suggestions about how to deal with degree mills in your state. While it is difficult to obtain conclusive information about the impact of degree mills, the data that are available suggest that degree mills are at least a \$500 million enterprise and growing rapidly.

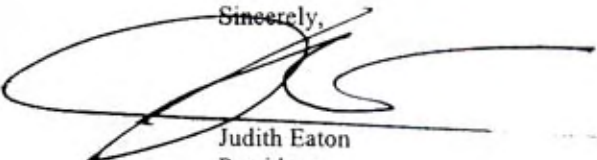
The recent development is the introduction in the U.S. House of Representatives of a bill (HR 773) to contain the spread of degree mills through offering a definition of degree mills as well as a range of suggestions for preventing future use of fraudulent credentials in the federal hiring process. While individual states address these issues independent of the federal government, we believe that this federal effort contains practices that may be useful to consider when developing state initiatives. HR 773 is available at <http://thomas.loc.gov/cgi-bin/bdquery/z?d110:h773>.

In addition to CHEA's involvement in the development of HR 773, we have been working with officials in a few states as they focus on this important issue. We have also attempted to enhance public awareness of degree mills. Enclosed are several examples of our efforts: a "Fact Sheet" that provides key questions that officials and the public should ask in order to identify degree mills, a "Suggestions for Effective Practice" to combat degree mills and a report on key issues and recent efforts by a number of states to address degree mills. We also invite you to visit the CHEA Website and the section *Degree Mills and Accreditation Mills* at <http://www.chea.org/default.asp?link=11>.

If you believe that your state can benefit from CHEA's work in this area or if you are seeking additional information about current federal and other efforts, please contact Jan Friis, CHEA Vice President for Government Affairs, at 202-955-6126 or friis@chea.org.

Thank you.

Sincerely,



Judith Eaton
President



110TH CONGRESS
1ST SESSION

H. R. 773

To reduce and prevent the sale and use of fraudulent degrees in order to protect the integrity of valid higher education degrees that are used for Federal purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2007

Ms. MCCOLLUM of Minnesota (for herself, Mr. BISHOP of New York, and Mr. GRIJALVA) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committees on Energy and Commerce, Oversight and Government Reform, Judiciary, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reduce and prevent the sale and use of fraudulent degrees in order to protect the integrity of valid higher education degrees that are used for Federal purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Diploma Integrity Pro-
5 tection Act of 2007”.

1 **SEC. 2. PURPOSE; DEFINITIONS.**

2 (a) PURPOSE.—The purpose of this Act is to protect
3 institutions of higher education, businesses and other em-
4 ployers, professional licensing boards, patients and clients
5 of degree holders, taxpayers, and other individuals from
6 any person claiming to possess a legitimate academic de-
7 gree that in fact was issued by a fraudulent or nonexistent
8 school, by a non-educational entity posing as a school, or
9 by any entity in violation of Federal or State law.

10 (b) DEFINITIONS.—In this Act:

11 (1) DEGREE-GRANTING INSTITUTION.—The
12 term “degree-granting institution” means any entity
13 that offers or confers an academic, professional, or
14 occupational degree, diploma, or certificate, if such
15 degree, diploma, or certificate may be used to rep-
16 resent to the general public that the individual pos-
17 sessed such degree, diploma, or certificate has com-
18 pleted a program of education or training beyond
19 secondary education.

20 (2) DIPLOMA MILL.—The term “diploma mill”
21 means any entity that—

22 (A) lacks valid accreditation by an agency
23 recognized by a Federal agency, a State govern-
24 ment, or the Council for Higher Education Ac-
25 creditation as a valid accrediting agency of in-
26 stitutions of higher education; and

1 (B) offers degrees, diplomas, or certifi-
2 cations, for a fee, that may be used to represent
3 to the general public that the individual pos-
4 sessing such a degree, diploma, or certification
5 has completed a program of education or train-
6 ing beyond secondary education, but little or no
7 education or course work is required to obtain
8 such a degree, diploma, or certification.

9 (3) INSTITUTION OF HIGHER EDUCATION.—The
10 term “institution of higher education” has the
11 meaning given such term in section 102 of the High-
12 er Education Act of 1965 (20 U.S.C. 1002).

13 **SEC. 3. FINDINGS.**

14 The Congress finds as follows:

15 (1) Diploma mills (entities that sell fraudulent
16 degrees, diplomas, or certifications), have pro-
17 liferated in recent decades due to inconsistent law
18 enforcement and technological advances such as the
19 Internet and electronic mail.

20 (2) Diploma mills take many different forms
21 but often share common characteristics, such as—

22 (A) lack of accreditation or false claims of
23 accreditation by agencies not recognized by the
24 Department of Education or by the Council for
25 Higher Education Accreditation;

1 (B) no previous academic records are re-
2 quired for admission;

3 (C) tuition is charged based on the number
4 of degrees purchased, rather than the number
5 of credit hours or courses taken;

6 (D) credits for degrees are offered based
7 on life experience rather than academic work;

8 (E) students can receive degrees in far less
9 time than at legitimate, accredited institutions
10 of higher education;

11 (F) faculty do not have degrees or creden-
12 tials from accredited institutions;

13 (G) the use of foreign or post office box
14 addresses for the entity, without a physical per-
15 manent address in the United States; and

16 (H) names that are very similar to legiti-
17 mate, accredited institutions of higher edu-
18 cation.

19 (3) Several hundred diploma mills are operating
20 at any given time, with revenues estimated to total
21 more than \$500,000,000 each year.

22 (4) Rapidly growing commerce in fraudulent
23 academic credentials imperils the national security of
24 the United States.

1 (5) The safety of the American public is par-
2 ticularly endangered by the sale of fraudulent med-
3 ical, engineering, science, and education degrees.

4 (6) The preeminence of the United States in
5 science and engineering, as well as the prestige and
6 reputation of American universities, is threatened by
7 the trafficking of fraudulent degrees, diplomas, and
8 certifications.

9 (7) Some individuals who obtain degrees from
10 diploma mills are conspirators in fraudulent behav-
11 ior, but others are innocent consumers who have be-
12 come victims of financial scams.

13 (8) Efforts to shut down diploma mills have
14 been weak and erratic due to variations in—

15 (A) the laws of Federal, State, and local
16 jurisdictions;

17 (B) available enforcement mechanisms;
18 and

19 (C) political priorities.

20 (9) In 2004, a Government Accountability Of-
21 fice investigation revealed weaknesses in the Depart-
22 ment of Education’s administration of the student
23 loan programs for higher education, including the
24 possibility that a diploma mill could participate in
25 the Federal Family Education Loan Program

1 (FFELP) under title IV of the Higher Education
2 Act of 1965.

3 (10) The 2004 Government Accountability Of-
4 fice investigation included an examination of the cre-
5 dentials of a sampling of Federal employees, and re-
6 vealed that, of the Federal employees selected for
7 the examination, 463 Federal employees held de-
8 grees from diploma mills and other unaccredited uni-
9 versities, including 12 employees for the Department
10 of Homeland Security, 13 for the Department of
11 Justice, and 29 for the United States Postal Service.
12 The investigation also found that Federal agencies
13 have paid more than \$150,000 in tuition payments
14 to diploma mills and other unaccredited universities
15 on behalf of Federal employees.

16 (11) Recent investigations of suspected diploma
17 mills have exposed a tangled web of fraudulent be-
18 havior that spans across State lines and the United
19 States border.

20 (12) The regulation of education in the United
21 States is, in general, a State responsibility, and the
22 development and regulation of academic standards
23 in higher education is the responsibility of institu-
24 tions of higher education.

1 (13) The Federal Government should have uni-
2 form standards to determine, for Federal purposes,
3 the legitimacy of degrees, diplomas, certifications,
4 and degree-granting institutions.

5 (14) This Act is necessary to prevent the use of
6 fraudulent degrees for Federal purposes, and to ex-
7 pand Federal authority to investigate and penalize
8 operators of diploma mills.

9 **SEC. 4. RECOGNIZED ACCREDITING AGENCIES AND INSTI-**
10 **TUTIONS.**

11 (a) LISTS MAINTAINED BY THE DEPARTMENT OF
12 EDUCATION.—Not later than 30 days after the date of
13 the enactment of this Act, the Secretary of Education
14 shall make available (in a regularly updated, electronic
15 format) to the Secretary of Homeland Security and the
16 heads of other appropriate Federal agencies, a list of—

17 (1) accrediting agencies and associations, recog-
18 nized by the Secretary of Education under section
19 496 of the Higher Education Act of 1965 (20
20 U.S.C. 1099b), or by the Council for Higher Edu-
21 cation Accreditation;

22 (2) eligible institutions, as defined under section
23 435(a) of the Higher Education Act of 1965 (20
24 U.S.C. 1085(a)); and

25 (3) foreign degree-granting institutions that—

1 (A) have degree-granting authority, as
2 granted by the appropriate agency or ministry
3 of jurisdiction in the home country of such in-
4 stitution;

5 (B) issue degrees that are accepted for
6 professional licensure, public employment, and
7 admission into graduate programs of degree-
8 granting institutions in the home country (as
9 determined by the Secretary of State);

10 (C) are determined by the Secretary of
11 Education to be academically equivalent to an
12 eligible institution, as defined in section 435(a)
13 of the Higher Education Act of 1965 (20
14 U.S.C. 1085(a)); and

15 (D) are located in a home country that is
16 capable of performing an effective academic
17 evaluation of the degree-granting institutions to
18 which it issues degree-granting authority, as de-
19 termined by the Secretary of State, in consulta-
20 tion with the Secretary of Education,

21 for the purposes of allowing the Secretary of Homeland
22 Security and the heads of such Federal agencies to deter-
23 mine, for immigration and Federal employment and hiring
24 purposes, the legitimacy of degree-granting institutions
25 and degrees issued by such institutions.

1 (b) REVISIONS TO LISTS.—The Secretary of Edu-
2 cation shall modify and maintain the lists described in
3 subsection (a) as necessary to ensure that the lists and
4 the information contained in the lists are accurate and up-
5 to-date, based on the most recent information available to
6 the Secretary.

7 (c) NOTICE OF RECOGNITION.—To be eligible to re-
8 ceive funds under title IV of the Higher Education Act
9 of 1965, each eligible institution described in subsection
10 (a)(2) shall, not later than 60 days after the date of the
11 enactment of this Act, prominently display on the institu-
12 tion’s Internet website a notice indicating that the institu-
13 tion is recognized by the Secretary of Education as a le-
14 gitimate degree-granting institution for immigration and
15 Federal employment and hiring purposes. If the Secretary
16 of Education determines that an institution no longer
17 qualifies as a legitimate degree-granting institutions de-
18 scribed in subsection (a)(2), and removes the institution
19 from the list maintained under such subsection, the insti-
20 tution shall, not later than 15 days after the removal of
21 the institution from such list, delete the notice required
22 by this subsection from the institution’s Internet website.

23 **SEC. 5. ACCREDITING AGENCIES.**

24 No accrediting agency or association may be consid-
25 ered to be a reliable authority as to the quality of edu-

1 cation or training offered by a degree-granting institution
2 for any purpose related to immigration, Federal employ-
3 ment and hiring practices, or for any other Federal pur-
4 poses, unless the agency or association is on the list of
5 accrediting agencies and associations recognized by the
6 Secretary of Education or the Council for Higher Edu-
7 cation Accreditation and provided to the Secretary of
8 Homeland Security under section 4(a).

9 **SEC. 6. STUDENT VISAS.**

10 No nonimmigrant visa under subsections (F), (J), or
11 (M) of section 101(a)(15) of the Immigration and Nation-
12 ality Act (8 U.S.C. 1101(a)(15)) shall be issued to any
13 alien unless the established college or university described
14 in such section is on the list of eligible institutions recog-
15 nized by the Secretary of Education and provided to the
16 Secretary of Homeland Security under section 4.

17 **SEC. 7. FEDERAL EMPLOYMENT.**

18 For purposes of applying any civil service law, rule,
19 or regulation that requires or takes into consideration a
20 degree from an institution of higher education for pur-
21 poses of appointment or promotion of, or improved pay
22 for, a Federal employee, only a degree from a degree-
23 granting institution that is on the list of eligible institu-
24 tions recognized by the Secretary of Education and pro-

1 vided to the appropriate Federal agencies under section
2 4 shall be acceptable.

3 **SEC. 8. TASK FORCE.**

4 (a) **TASK FORCE ESTABLISHED.**—The Secretary of
5 Education shall establish within the Department of Edu-
6 cation the Diploma Mill Task Force (referred to in this
7 Act as the “Task Force”).

8 (b) **MEMBERSHIP.**—

9 (1) **NUMBER AND APPOINTMENT.**—The Task
10 Force shall, if practicable, be composed of 19 mem-
11 bers, as follows:

12 (A) The Assistant Secretary of Education
13 for Postsecondary Education.

14 (B) A representative of the Department of
15 Education with experience related to the deter-
16 mination of the legitimacy and quality of de-
17 grees from foreign institutions of higher edu-
18 cation, selected by the Secretary of Education.

19 (C) A representative of the Department of
20 Justice, selected by the Attorney General.

21 (D) A representative of the Federal Trade
22 Commission, selected by the Chairman of such
23 agency.

24 (E) A representative of the Secret Service,
25 selected by the Director of the Secret Service.

1 (F) A representative of the Department of
2 State, selected by the Secretary of State.

3 (G) A representative of the Department of
4 Homeland Security, selected by the Secretary of
5 Homeland Security.

6 (H) A representative of the Office of Per-
7 sonnel Management, selected by the Director of
8 such Office.

9 (I) A representative of the Council for
10 Higher Education Accreditation.

11 (J) A representative of the American Asso-
12 ciation of Collegiate Registrars and Admissions
13 Officers.

14 (K) Two representatives of State degree
15 approval agencies, selected by agreement of at
16 least 3 of the Speaker of the House of Rep-
17 resentatives, the Senate Majority Leader, the
18 House Minority Leader, and the Senate Minor-
19 ity Leader.

20 (L) Two representatives from regionally
21 accredited institutions of higher education, se-
22 lected by agreement of at least 3 of the Speaker
23 of the House of Representatives, the Senate
24 Majority Leader, the House Minority Leader,
25 and the Senate Minority Leader.

1 (M) One representative from a nationally
2 accredited institution of higher education, se-
3 lected by agreement of at least 3 of the Speaker
4 of the House of Representatives, the Senate
5 Majority Leader, the House Minority Leader,
6 and the Senate Minority Leader.

7 (N) Four individuals from the general pop-
8 ulation with experience in higher education, the
9 detection of fraudulent degrees and degree-
10 granting institutions, or law enforcement re-
11 lated to credential fraud, selected as follows:

12 (i) One individual selected by the
13 Speaker of the House of Representatives.

14 (ii) One individual selected by the Mi-
15 nority Leader of the House of Representa-
16 tives.

17 (iii) One individual selected by the
18 Majority Leader of the Senate.

19 (iv) One individual selected by the Mi-
20 nority Leader of the Senate.

21 (2) CRITERIA FOR MEMBERSHIP.—All members
22 of the Task Force shall be persons who are espe-
23 cially qualified to serve on the Task Force by virtue
24 of their education, training, or experience, particu-
25 larly in the fields of higher education, accreditation

1 of institutions of higher education, foreign higher
2 education standards, State regulation of institutions
3 of higher education, immigration, Federal employ-
4 ment requirements and hiring practices, or fraud
5 prevention, detection, or enforcement.

6 (3) TERMS.—Each member shall be appointed
7 for the life of the Task Force.

8 (4) VACANCIES.—A vacancy in the Task Force
9 shall be filled in the manner in which the original
10 appointment was made.

11 (5) CHAIR.—At the first meeting of the Task
12 Force, the members of the Task Force shall elect a
13 member of the Task Force to serve as Chair.

14 (c) DUTIES.—

15 (1) GUIDELINES.—The Task Force shall de-
16 velop guidelines, to be used for the development of
17 Federal legislation, to identify degree-granting insti-
18 tutions as legitimate or fraudulent degree-granting
19 institutions for Federal purposes. In developing such
20 guidelines, the Task Force shall consider—

21 (A) characteristics of degree-granting insti-
22 tutions that help determine the legitimacy of
23 the institution, such as whether an entity—

24 (i) offers or confers degrees, diplomas,
25 or certificates—

1 (I) for little or no meaningful
2 academic work;

3 (II) without requiring an appro-
4 priate level of academic achievement
5 for the attainment of such degrees, di-
6 plomas, or certificates; or

7 (III) without imposing academic
8 or other requirements for admittance
9 into the institutions or programs of-
10 fering such degrees, diplomas, or cer-
11 tificates;

12 (ii) has fiscal and administrative
13 structures and capacity appropriate to the
14 specified scale of educational operations;

15 (iii) has resources to support claims
16 as a degree-granting institution, including
17 curricula, qualified faculty, facilities, equip-
18 ment, and supplies, student support serv-
19 ices, objectives of the degrees or creden-
20 tials offered, admissions practices, aca-
21 demic calendars and catalogs, and a grad-
22 ing system; and

23 (iv) has degree-granting authority
24 issued by the States in which degrees, or
25 instruction leading to degrees, are offered,

1 and is recognized by such States as an ap-
2 proved institution of higher education;

3 (B) the feasibility of defining the term
4 “fraudulent degree-granting institution” (com-
5 monly referred to as “diploma mills”), and if
6 feasible, shall define such term for use in Fed-
7 eral laws and regulations;

8 (C) issues related to—

9 (i) the detection of new and existing
10 fraudulent degree-granting institutions;

11 (ii) recognition and prevention of the
12 practices used by such fraudulent degree-
13 granting institutions to avoid detection;

14 (iii) the enforcement of laws and regu-
15 lations prohibiting such fraudulent degree-
16 granting institutions and practices and the
17 use of fraudulent degrees; and

18 (iv) the prosecution of such fraudulent
19 degree-granting institutions and practices
20 and the use of fraudulent degrees;

21 (D) difficulties in identifying fraudulent
22 degree-granting institutions located in foreign
23 countries, or that claim recognition or degree-
24 granting authority from foreign countries;

1 (E) means to alert and educate the public
2 about fraudulent degree-granting institutions
3 and the use of fraudulent degrees;

4 (F) laws, regulations, and other means
5 used by States to address fraudulent degree-
6 granting institutions and the use of fraudulent
7 degrees;

8 (G) the potential need for coordination and
9 cooperation among various Federal agencies to
10 investigate and prosecute suspected fraudulent
11 degree-granting institutions, and the detailed
12 recommendations of the Task Force regarding
13 such coordination and cooperation;

14 (H) the study and the report to the Task
15 Force required under section 11; and

16 (I) the purposes for which various agencies
17 of the United States need to identify fraudulent
18 degree-granting institutions, and identify, pro-
19 hibit, and prevent the use of degrees issued by
20 such fraudulent institutions, and the ability of
21 such agencies to implement any guidelines con-
22 sidered by the Task Force.

23 (2) DEVELOPMENT OF FEDERAL PLAN.—The
24 Task Force shall develop a strategic diploma integ-
25 rity protection plan (referred to in this section as

1 the “Plan”) to address the sale and use of fraudu-
2 lent degrees for Federal purposes. The Plan shall in-
3 clude the following:

4 (A) Recommendations to Congress regard-
5 ing the implementation by Federal agencies of
6 the guidelines developed under paragraph (1).

7 (B) Recommendations to the Federal
8 Trade Commission regarding the application of
9 the guidelines developed under paragraph (1) to
10 the rulemaking required under section 9 and to
11 the enforcement of the rules promulgated under
12 such section.

13 (3) SUBMISSION OF REPORT TO CONGRESS.—

14 Not later one year after the date of the enactment
15 of this Act, the Task Force shall submit to the ap-
16 propriate congressional committees a report, includ-
17 ing—

18 (A) the guidelines developed under para-
19 graph (1);

20 (B) the Plan developed under paragraph
21 (2); and

22 (C) legislative language in the form of a
23 qualified bill to effectuate such Plan.

24 (4) QUALIFYING BILL.—For the purposes of
25 this section, a “qualifying bill” means a bill—

1 (A) the title of which is the following: “A
2 bill to establish and implement a strategic di-
3 ploma integrity protection plan to address the
4 sale and use of fraudulent degrees for Federal
5 purposes.”;

6 (B) the text of which consists of the text
7 of the bill included in the report submitted
8 under paragraph (3); and

9 (C) the provisions of which shall apply to
10 applicable Federal agencies not later than the
11 date that is 180 days after the date of the en-
12 actment of such bill.

13 (d) EXPEDITED CONGRESSIONAL CONSIDERATION
14 OF LEGISLATIVE PROPOSAL.—

15 (1) INTRODUCTION.—The majority leader of
16 each House or his designee shall (by request) intro-
17 duce a qualified bill as defined in subsection (c)(4)
18 not later than the tenth day of session of that House
19 after the date of receipt of the report transmitted to
20 the Congress under subsection (c)(3). If a qualified
21 bill is not introduced as provided in the preceding
22 sentence in either House, then, on the eleventh day
23 of session of that House after the date of receipt of
24 such report, any Member of that House may intro-
25 duce the qualified bill.

1 (2) REFERRAL AND REPORTING IN THE HOUSE
2 OF REPRESENTATIVES.—Any committee of the
3 House of Representatives to which a qualified bill is
4 referred shall report it to the House not later than
5 the 30th day after the date of its introduction. If a
6 committee fails to report the bill within that period
7 or the House has adopted a concurrent resolution
8 providing for adjournment sine die at the end of a
9 Congress, it shall be in order to move that the
10 House discharge the committee from further consid-
11 eration of the bill. Such a motion shall be in order
12 only at a time designated by the Speaker in the leg-
13 islative schedule within two legislative days after the
14 day on which the proponent announces his intention
15 to offer the motion. Such a motion shall not be in
16 order after a committee has reported a qualified bill.
17 The previous question shall be considered as ordered
18 on the motion to its adoption without intervening
19 motion except twenty minutes of debate equally di-
20 vided and controlled by the proponent and an oppo-
21 nent. If such a motion is adopted, the House shall
22 proceed immediately to consider the qualified bill.

23 (e) TERMINATION.—The Task Force shall terminate
24 60 calendar days after the date on which the Task Force
25 submits the report under subsection (c)(3).

1 **SEC. 9. SENSE OF THE CONGRESS REGARDING USE BY**
2 **STATES OF THE FEDERAL PLAN AS GUIDE-**
3 **LINES.**

4 It is the sense of the Congress that—

5 (1) each State should implement a strategic di-
6 ploma integrity plan similar to any such plan en-
7 acted by Congress in accordance with section 8, to
8 the extent practicable and as soon as practicable
9 after the date of the enactment of such a plan under
10 such section; and

11 (2) States may adopt more stringent standards
12 than those standards contained in the Federal stra-
13 tegic diploma integrity plan and used by agencies of
14 the United States to identify fraudulent degree-
15 granting institutions operating within such State,
16 except that State law does not preempt Federal law
17 as applied to the employment and hiring practices of
18 Federal employees working in such State.

19 **SEC. 10. UNFAIR AND DECEPTIVE ACTS AND PRACTICES**
20 **REGARDING DIPLOMAS AND PROFESSIONAL**
21 **CERTIFICATIONS.**

22 (a) CONDUCT PROHIBITED.—Not later than 180
23 days after the date of enactment of this Act, the Federal
24 Trade Commission shall initiate a rulemaking to define
25 as an unfair and deceptive act or practice under section

1 18 of Federal Trade Commission Act (15 U.S.C. 57a) the
2 following:

3 (1) The issuing of a degree, diploma, certificate,
4 or any similar document by an entity that is not rec-
5 ognized as a legitimate degree-granting institution
6 by the Secretary of Education, if such degree, di-
7 ploma, certificate, or similar document misrepres-
8 sents, directly or indirectly, the subject matter, sub-
9 stance, or content of the course of study or any
10 other material fact concerning the course of study
11 for which such degree, diploma, certificate, or simi-
12 lar document was awarded.

13 (2) The offering or conferring of an academic,
14 professional, or occupational degree if the entity of-
15 fering or conferring the degree—

16 (A) is not an institution of higher edu-
17 cation;

18 (B) has not been accredited by an accred-
19 iting agency or association that is recognized
20 for any purpose by any appropriate Federal
21 agency, or by the Council for Higher Education
22 Accreditation; or

23 (C) is not recognized by the Secretary of
24 Education as an eligible institution under sec-
25 tion 4(a)(2),

1 unless the entity offering or conferring such a de-
2 gree clearly and conspicuously discloses, in all adver-
3 tising and promotional materials that contain a ref-
4 erence to such a degree, that the awarding of the de-
5 gree has not been so authorized or that the entity
6 offering or conferring the degree has not been so ap-
7 proved or recognized.

8 (3) The claiming or asserting in any advertise-
9 ments or promotional material of an entity offering
10 or conferring an academic, professional, or occupa-
11 tional degree, that such entity has—

12 (A) an accredited status unless it holds ac-
13 creditation from an accrediting agency that is
14 recognized by the Secretary of Education or the
15 Council for Higher Education Accreditation, or
16 is recognized for any purpose by any appro-
17 priate Federal agency or, for foreign sources of
18 accreditation, unless it holds accreditation from
19 an accrediting agency that is recognized by the
20 appropriate agency or ministry of jurisdiction in
21 the country of the accrediting agency; or

22 (B) an unaccredited, but approved status
23 that misrepresents, directly or indirectly, the
24 nature, extent, or credibility of such approval.

1 (4) The issuing of any accreditation, including
2 institutional, programmatic, or specialized accredita-
3 tion, to any degree-granting institution by any entity
4 that is not recognized for accreditation purposes by
5 the Secretary of Education, any other appropriate
6 Federal agency, or the Council for Higher Education
7 Accreditation, or, for foreign accreditors, any entity
8 that is not recognized for accreditation purposes by
9 the appropriate agency or ministry of jurisdiction in
10 the country of the accrediting agency.

11 (b) GUIDELINES FOR LEGITIMATE DEGREE-GRANT-
12 ING INSTITUTION.—For purposes of defining a legitimate
13 degree-granting institution in the rule required under sub-
14 section (a), the Federal Trade Commission shall adopt the
15 guidelines developed by the Task Force and submitted in
16 its report to Congress as required by section 8(c).

17 (c) FINAL RULE.—The Commission shall issue final
18 rules under this section not later than 90 days after the
19 Task Force submits its final report containing such guide-
20 lines to Congress pursuant to section 8(c)(3).

21 (d) REPORTING REQUIREMENT.—

22 (1) FEDERAL TRADE COMMISSION.—In admin-
23 istering and enforcing the rule required under sub-
24 section (a), the Federal Trade Commission shall re-
25 port regularly to the Secretary of Education any in-

1 formation regarding entities which the Commission
2 knows or suspects to be in violation of such rule.

3 (2) SECRETARY OF EDUCATION.—The Sec-
4 retary of Education shall make available to the gen-
5 eral public, in paper and electronic forms, the infor-
6 mation reported to the Secretary in accordance with
7 paragraph (1).

8 **SEC. 11. STUDY.**

9 (a) STUDY.—The Comptroller General shall conduct
10 a study to gather the following information:

11 (1) A determination of the numbers and types
12 of degree-granting institutions that are enrolling stu-
13 dents or otherwise operating within the United
14 States as of the date of the enactment of this Act
15 that are not accredited by an accrediting agency or
16 association recognized by the Secretary of Education
17 under section 496 of the Higher Education Act of
18 1965 (20 U.S.C. 1099b) that—

19 (A) are legitimate degree-granting institu-
20 tions; and

21 (B) are fraudulent degree-granting institu-
22 tions.

23 (2) An analysis of why legitimate degree-grant-
24 ing institutions do not obtain accreditation by an ac-
25 crediting agency or association described in para-

1 graph (1), and specifically why some such institu-
2 tions voluntarily elect not to obtain such accredita-
3 tion.

4 (3) An analysis of any steps taken by the De-
5 partment of Education to repair the vulnerabilities
6 in the Federal Family Education Loan Program re-
7 vealed by the Office of Special Investigations of the
8 Government Accountability Office, as reported to the
9 Subcommittee on 21st Century Competitiveness of
10 the Committee on Education and the Workforce of
11 the House of Representatives on September 23,
12 2004.

13 (b) REPORT.—Not later than 180 days after the date
14 of enactment of this Act, the Comptroller General shall
15 submit to the Diploma Mill Task Force established under
16 section 8 a report on the study conducted under subsection
17 (a) together with recommendations for such legislation
18 and administrative action as the Comptroller General de-
19 termines to be appropriate.

○

1 “(B) demonstrated a willingness and com-
2 mitment to improving the higher education en-
3 rollment rates of the local educational agency or
4 State, respectively.

5 “(b) GRANT RECIPIENT CRITERIA.—The recipient of
6 the grant awarded under subsection (a) shall be a non-
7 profit organization with demonstrated expertise—

8 “(1) in increasing school-wide higher education
9 enrollment rates in low-income communities nation-
10 wide by providing curriculum, training, and technical
11 assistance to secondary school staff and student peer
12 influencers; and

13 “(2) in a college transition data management
14 system.

15 **“PART H—DIPLOMA MILL PREVENTION**

16 **“SEC. 851. PURPOSE; DEFINITIONS.**

17 “(a) PURPOSE.—The purpose of this part is to pro-
18 tect institutions of higher education, businesses and other
19 employers, professional licensing boards, patients and cli-
20 ents of degree holders, taxpayers, and other individuals
21 from any person claiming to possess a legitimate academic
22 degree that in fact was issued by a fraudulent or non-
23 existent school, by a non-educational entity posing as a
24 school, or by any entity in violation of Federal or State
25 law.

1 “(b) DEFINITIONS.—In this part:

2 “(1) DEGREE-GRANTING INSTITUTION.—The
3 term ‘degree-granting institution’ means any entity
4 that offers or confers an academic, professional, or
5 occupational degree, diploma, or certificate, if such
6 degree, diploma, or certificate may be used to rep-
7 resent to the general public that the individual pos-
8 sessing such degree, diploma, or certificate has com-
9 pleted a program of education or training beyond
10 secondary education.

11 “(2) DIPLOMA MILL.—The term ‘diploma mill’
12 means any entity that—

13 “(A) lacks valid accreditation by an agency
14 recognized by a Federal agency or a State gov-
15 ernment as a valid accrediting agency of insti-
16 tutions of higher education; and

17 “(B) offers degrees, diplomas, or certifi-
18 cations, for a fee, that may be used to represent
19 to the general public that the individual pos-
20 sessing such a degree, diploma, or certification
21 has completed a program of education or train-
22 ing beyond secondary education, but little or no
23 education or course work is required to obtain
24 such a degree, diploma, or certification.

1 “(3) INSTITUTION OF HIGHER EDUCATION.—
2 The term ‘institution of higher education’ has the
3 meaning given such term in section 102.

4 **“SEC. 852. RECOGNIZED ACCREDITING AGENCIES AND IN-**
5 **STITUTIONS.**

6 “(a) LISTS MAINTAINED BY THE DEPARTMENT OF
7 EDUCATION.—Not later than 30 days after the date of
8 the enactment of this part, the Secretary of Education
9 shall make available (in a regularly updated, electronic
10 format) to the Secretary of Homeland Security and the
11 heads of other appropriate Federal agencies, a list of—

12 “(1) accrediting agencies and associations, rec-
13 ognized by the Secretary of Education under section
14 496, or, at the discretion of the Secretary, other or-
15 ganizations involved in accreditation;

16 “(2) eligible institutions, as defined under sec-
17 tion 435(a); and

18 “(3) to the extent practicable, foreign degree-
19 granting institutions that—

20 “(A) have degree-granting authority, as
21 granted by the appropriate agency or ministry
22 of jurisdiction in the home country of such in-
23 stitution;

24 “(B) issue degrees that are accepted for
25 professional licensure, public employment, and

1 admission into graduate programs of degree-
2 granting institutions in the home country (as
3 determined by the Secretary of State);

4 “(C) are determined by the Secretary of
5 Education to be academically equivalent to an
6 eligible institution, as defined in section 435(a);
7 and

8 “(D) are located in a home country that is
9 capable of performing an effective academic
10 evaluation of the degree-granting institutions to
11 which it issues degree-granting authority, as de-
12 termined by the Secretary of State, in consulta-
13 tion with the Secretary of Education,
14 for the purposes of allowing the Secretary of Homeland
15 Security and the heads of such Federal agencies to deter-
16 mine, for immigration and Federal employment and hiring
17 purposes, the legitimacy of degree-granting institutions
18 and degrees issued by such institutions.

19 “(b) REVISIONS TO LISTS.—The Secretary of Edu-
20 cation shall modify and maintain the lists described in
21 subsection (a) as necessary to ensure that the lists and
22 the information contained in the lists are accurate and up-
23 to-date, based on the most recent information available to
24 the Secretary.

1 “(c) NOTICE OF RECOGNITION.—To be eligible to re-
2 ceive funds under title IV, each eligible institution de-
3 scribed in subsection (a)(2) shall, not later than 60 days
4 after the date of the enactment of this part, prominently
5 display on the institution’s Internet website a notice indi-
6 cating that the institution is recognized by the Secretary
7 of Education as a legitimate institution for immigration
8 and Federal employment and hiring purposes. If the Sec-
9 retary of Education determines that an institution no
10 longer qualifies as a legitimate degree-granting institu-
11 tions described in subsection (a)(2), and removes the insti-
12 tution from the list maintained under such subsection, the
13 institution shall, not later than 15 days after the removal
14 of the institution from such list, delete the notice required
15 by this subsection from the institution’s Internet website.

16 **“SEC. 853. ACCREDITING AGENCIES.**

17 “No accrediting agency or association may be consid-
18 ered to be a reliable authority as to the quality of edu-
19 cation or training offered by a degree-granting institution
20 for any purpose related to immigration, Federal employ-
21 ment and hiring practices, or for any other Federal pur-
22 poses, unless the agency or association is on the list of
23 accrediting agencies and associations recognized by the
24 Secretary of Education and provided to the Secretary of
25 Homeland Security under section 852. The Secretary may

1 consult with other organizations, such as the Council for
2 Higher Education Accreditation, for such purposes.

3 **“SEC. 854. TASK FORCE.**

4 “(a) **TASK FORCE ESTABLISHED.**—The Secretary of
5 Education shall establish within the Department of Edu-
6 cation the Diploma Mill Task Force (referred to in this
7 part as the ‘Task Force’).

8 “(b) **MEMBERSHIP.**—

9 “(1) **NUMBER AND APPOINTMENT.**—The Task
10 Force shall, if practicable, be composed of 19 mem-
11 bers, as follows:

12 “(A) The Assistant Secretary of Education
13 for Postsecondary Education.

14 “(B) A representative of the Department
15 of Education with experience related to the de-
16 termination of the legitimacy and quality of de-
17 grees from foreign institutions of higher edu-
18 cation, selected by the Secretary of Education.

19 “(C) A representative of the Department
20 of Justice, selected by the Attorney General.

21 “(D) A representative of the Federal
22 Trade Commission, selected by the Chairman of
23 such agency.

1 “(E) A representative of the Secret Serv-
2 ice, selected by the Director of the Secret Serv-
3 ice.

4 “(F) A representative of the Department
5 of State, selected by the Secretary of State.

6 “(G) A representative of the Department
7 of Homeland Security, selected by the Secretary
8 of Homeland Security.

9 “(H) A representative of the Office of Per-
10 sonnel Management, selected by the Director of
11 such Office.

12 “(I) A representative of a national accredi-
13 tation association.

14 “(J) A representative of a national organi-
15 zation representing collegiate registrars and ad-
16 missions officers.

17 “(K) Two representatives of State degree
18 approval agencies, selected by agreement of at
19 least 3 of the Speaker of the House of Rep-
20 resentatives, the Senate Majority Leader, the
21 House Minority Leader, and the Senate Minor-
22 ity Leader.

23 “(L) Two representatives from regionally
24 accredited institutions of higher education, se-
25 lected by agreement of at least 3 of the Speaker

1 of the House of Representatives, the Senate
2 Majority Leader, the House Minority Leader,
3 and the Senate Minority Leader.

4 “(M) One representative from a nationally
5 accredited institution of higher education, se-
6 lected by agreement of at least 3 of the Speaker
7 of the House of Representatives, the Senate
8 Majority Leader, the House Minority Leader,
9 and the Senate Minority Leader.

10 “(N) Four individuals from the general
11 population with experience in higher education,
12 the detection of fraudulent degrees and degree-
13 granting institutions, or law enforcement re-
14 lated to credential fraud, selected as follows:

15 “(i) One individual selected by the
16 Speaker of the House of Representatives.

17 “(ii) One individual selected by the
18 Minority Leader of the House of Rep-
19 resentatives.

20 “(iii) One individual selected by the
21 Majority Leader of the Senate.

22 “(iv) One individual selected by the
23 Minority Leader of the Senate.

24 “(2) CRITERIA FOR MEMBERSHIP.—All mem-
25 bers of the Task Force shall be persons who are es-

1 pecially qualified to serve on the Task Force by vir-
2 tue of their education, training, or experience, par-
3 ticularly in the fields of higher education, accredita-
4 tion of institutions of higher education, foreign high-
5 er education standards, State regulation of institu-
6 tions of higher education, immigration, Federal em-
7 ployment requirements and hiring practices, or fraud
8 prevention, detection, or enforcement.

9 “(3) TERMS.—Each member shall be appointed
10 for the life of the Task Force.

11 “(4) VACANCIES.—A vacancy in the Task Force
12 shall be filled in the manner in which the original
13 appointment was made.

14 “(5) CHAIR.—At the first meeting of the Task
15 Force, the members of the Task Force shall elect a
16 member of the Task Force to serve as Chair.

17 “(c) DUTIES.—

18 “(1) GUIDELINES.—The Task Force shall de-
19 velop guidelines, to be used for the development of
20 Federal legislation, to identify degree-granting insti-
21 tutions as legitimate or fraudulent degree-granting
22 institutions for Federal purposes. In developing such
23 guidelines, the Task Force shall consider—

1 “(A) characteristics of degree-granting in-
2 stitutions that help determine the legitimacy of
3 the institution, such as whether an entity—

4 “(i) offers or confers degrees, diplo-
5 mas, or certificates—

6 “(I) for little or no meaningful
7 academic work;

8 “(II) without requiring an appro-
9 priate level of academic achievement
10 for the attainment of such degrees, di-
11 plomas, or certificates; or

12 “(III) without imposing academic
13 or other requirements for admittance
14 into the institutions or programs of-
15 fering such degrees, diplomas, or cer-
16 tificates;

17 “(ii) has fiscal and administrative
18 structures and capacity appropriate to the
19 specified scale of educational operations;

20 “(iii) has resources to support claims
21 as a degree-granting institution, including
22 curricula, qualified faculty, facilities, equip-
23 ment, and supplies, student support serv-
24 ices, objectives of the degrees or creden-
25 tials offered, admissions practices, aca-

1 demic calendars and catalogs, and a grad-
2 ing system; and

3 “(iv) has degree-granting authority
4 issued by the States in which degrees, or
5 instruction leading to degrees, are offered,
6 and is recognized by such States as an ap-
7 proved institution of higher education;

8 “(B) the feasibility of defining the term
9 ‘fraudulent degree-granting institution’ (com-
10 monly referred to as ‘diploma mills’), and if fea-
11 sible, shall define such term for use in Federal
12 laws and regulations;

13 “(C) issues related to—

14 “(i) the detection of new and existing
15 fraudulent degree-granting institutions;

16 “(ii) recognition and prevention of the
17 practices used by such fraudulent degree-
18 granting institutions to avoid detection;

19 “(iii) the enforcement of laws and reg-
20 ulations prohibiting such fraudulent de-
21 gree-granting institutions and practices
22 and the use of fraudulent degrees; and

23 “(iv) the prosecution of such fraudu-
24 lent degree-granting institutions and prac-
25 tices and the use of fraudulent degrees;

1 “(D) difficulties in identifying fraudulent
2 degree-granting institutions located in foreign
3 countries, or that claim recognition or degree-
4 granting authority from foreign countries;

5 “(E) means to alert and educate the public
6 about fraudulent degree-granting institutions
7 and the use of fraudulent degrees;

8 “(F) laws, regulations, and other means
9 used by States to address fraudulent degree-
10 granting institutions and the use of fraudulent
11 degrees;

12 “(G) the potential need for coordination
13 and cooperation among various Federal agen-
14 cies to investigate and prosecute suspected
15 fraudulent degree-granting institutions, and the
16 detailed recommendations of the Task Force re-
17 garding such coordination and cooperation;

18 “(H) the study and the report to the Task
19 Force required under this section; and

20 “(I) the purposes for which various agen-
21 cies of the United States need to identify fraud-
22 ulent degree-granting institutions, and identify,
23 prohibit, and prevent the use of degrees issued
24 by such fraudulent institutions, and the ability

1 of such agencies to implement any guidelines
2 considered by the Task Force.

3 “(2) DEVELOPMENT OF FEDERAL PLAN.—The
4 Task Force shall develop a strategic diploma integ-
5 rity protection plan (referred to in this section as
6 the ‘Plan’) to address the sale and use of fraudulent
7 degrees for Federal purposes. The Plan shall include
8 the following:

9 “(A) Recommendations to Congress re-
10 garding the implementation by Federal agencies
11 of the guidelines developed under paragraph
12 (1).

13 “(B) Recommendations to the Federal
14 Trade Commission regarding the application of
15 the guidelines developed under paragraph (1) to
16 any rulemaking under section 856 and to the
17 enforcement of the rules promulgated under
18 such section.

19 “(3) SUBMISSION OF REPORT TO CONGRESS.—
20 Not later than one year after the date of the enact-
21 ment of this part, the Task Force shall submit to
22 the appropriate congressional committees a report,
23 including—

24 “(A) the guidelines developed under para-
25 graph (1);

1 “(B) the Plan developed under paragraph
2 (2); and

3 “(C) a legislative proposal for consider-
4 ation by Congress.

5 **“SEC. 855. SENSE OF THE CONGRESS REGARDING USE BY**
6 **STATES OF THE FEDERAL PLAN AS GUIDE-**
7 **LINES.**

8 “It is the sense of the Congress that—

9 “(1) each State should implement a strategic
10 diploma integrity plan similar to any such plan en-
11 acted by Congress in accordance with section 854, to
12 the extent practicable and as soon as practicable
13 after the date of the enactment of such a plan under
14 such section; and

15 “(2) States may adopt more stringent stand-
16 ards than those standards contained in the Federal
17 strategic diploma integrity plan and used by agen-
18 cies of the United States to identify fraudulent de-
19 gree-granting institutions operating within such
20 State, except that State law does not preempt Fed-
21 eral law as applied to the employment and hiring
22 practices of Federal employees working in such
23 State.

1 **“SEC. 856. UNFAIR AND DECEPTIVE ACTS AND PRACTICES**
2 **REGARDING DIPLOMAS AND PROFESSIONAL**
3 **CERTIFICATIONS.**

4 “Not later than 180 days after the date of enactment
5 of this part, the Secretary shall request in writing that
6 the Federal Trade Commission shall develop a plan to ad-
7 dress diploma mills based on section 18 of Federal Trade
8 Commission Act (15 U.S.C. 57a).

9 **“PART I—STUDENT SAFETY AND CAMPUS**
10 **EMERGENCY MANAGEMENT**
11 **“SEC. 861. STUDENT SAFETY AND CAMPUS EMERGENCY**
12 **MANAGEMENT.**

13 “(a) GRANTS AUTHORIZED.—

14 “(1) IN GENERAL.—From the amount appro-
15 priated to carry out this part under section 800, the
16 Secretary is authorized to award grants, on a com-
17 petitive basis, to institutions of higher education or
18 consortia of institutions of higher education to en-
19 able institutions of higher education or consortia to
20 pay the Federal share of the cost of carrying out the
21 authorized activities described in subsection (c).

22 “(2) CONSULTATION WITH THE ATTORNEY
23 GENERAL AND THE SECRETARY OF HOMELAND SE-
24 CURITY.—Where appropriate, the Secretary shall
25 award grants under this section in consultation with