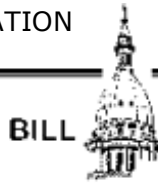




Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 136 (as introduced 2-1-05)
Sponsor: Senator Tom George
Committee: Education

Date Completed: 2-16-05

CONTENT

The bill would create the "Authentic Credentials in Education Act" to prohibit a person from issuing or using a false academic credential, or claiming to have an academic credential he or she did not have. The bill also would prescribe civil fines against violators.

Specifically, the bill would prohibit a person from knowingly issuing or manufacturing a false academic credential. If the Director of the Department of Labor and Economic Growth found that a person had violated this provision, the Director could assess against that person a maximum civil fine of \$20,000.

In addition, an individual would be prohibited from knowingly using a false academic credential to obtain employment; to obtain a promotion or higher compensation in employment; to obtain admission to a qualified institution; or in connection with any loan, business, trade, profession, or occupation.

Further, an individual who did not have an academic credential would be prohibited from knowingly using or claiming to have that academic credential to obtain employment or a promotion or higher compensation in employment; to obtain admission to a qualified institution; or in connection with any loan, business, trade, profession, or occupation.

If the Director found that an individual had violated these provisions, he or she could assess against that individual a maximum civil fine of \$1,000.

"Academic credential" would mean a degree or a diploma, transcript, educational or completion certificate, or similar document that indicated completion of a program of study or instruction, completion of one or more courses, or the grant of an associate, bachelor, master, or doctoral degree. "False academic credential" would mean an academic credential issued or manufactured by a person other than a qualified institution.

"Qualified institution" would mean an institution of higher education, as that term is defined in Title 20, Section 1001 of the United States Code (20 USC 1001), or any other institution of higher education determined by the Department of Labor and Economic Growth to meet standards of academic quality comparable to those of an institution of higher education described in 20 USC 1001, and designated by the Department as a qualified institution.

(Under 20 USC 1001, "institution of higher education" means an educational institution in any state that meets all of the following criteria:

- Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate.
- Is legally authorized within the state to provide a program of education beyond secondary education.
- Provides an educational program for which the institution awards a bachelor's degree or provides not less than a two-year program that is acceptable for full credit toward such a degree; or is a school that provides at least a one-year program of training to prepare students for gainful employment in a recognized occupation.
- Is a public or other nonprofit institution.
- Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status by such an agency or association that has been recognized by the U.S. Secretary of Education for the granting of pre-accreditation status, and the Secretary has determined that there is a satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

The term also includes a public or nonprofit private educational institution that admits as regular students persons who are beyond the age of compulsory school attendance in the state in which the institution is located (in lieu of admitting only persons with a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate).)

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would require the Director of the Department of Labor and Economic Growth to enforce provisions prohibiting the knowing issuance or use of a false credential. This would increase the administrative costs of the Department by an indeterminate amount. An unknown amount of additional revenue would be received by the State General Fund if fines were assessed under the bill. The bill would have no fiscal impact on local government.

Fiscal Analyst: Elizabeth Pratt

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.