

119TH CONGRESS
2D SESSION

S. 5053

To amend the Higher Education Act of 1965 to provide for accreditation reform, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 21, 2026

Ms. WARREN (for herself and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to provide for accreditation reform, and for other 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 “Accreditation Reform
5 and Enhanced Accountability Act of 2026”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to improve the effective-
8 ness of recognized accreditation as an eligibility require-
9 ment for Federal education funding and to increase the

1 accountability of institutions of higher education for stu-
 2 dent outcomes.

3 **SEC. 3. RECOGNITION OF ACCREDITING AGENCY OR ASSO-**
 4 **CIATION.**

5 Section 496 of the Higher Education Act of 1965 (20
 6 U.S.C. 1099b) is amended—

7 (1) in subsection (g)—

8 (A) in the subsection heading, by striking
 9 “LIMITATION ON”;

10 (B) by striking “Nothing in this section
 11 shall be construed to permit the Secretary to
 12 establish any criteria that specifies, defines, or
 13 prescribes the standards that accrediting agen-
 14 cies or associations shall use to assess any insti-
 15 tution’s success with respect to student achieve-
 16 ment.”; and

17 (C) by adding at the end the following:
 18 “Nothing in this section shall prohibit the Sec-
 19 retary from establishing regulations regarding
 20 the criteria for accrediting agencies or associa-
 21 tions that are required under this section, in-
 22 cluding criteria or standards with respect to
 23 student achievement, or from establishing dif-
 24 ferentiated recognition processes for accrediting
 25 agencies or associations. Nothing in this section

1 shall be construed to permit the Secretary to
 2 establish any regulation that limits the aca-
 3 demic freedom of an institution of higher edu-
 4 cation, such as any criterion that specifies, de-
 5 fines, or prescribes standards on curriculum,
 6 faculty, or instructional resources.”; and

7 (2) in subsection (o), by striking “Notwith-
 8 standing any other provision of law, the Secretary
 9 shall not promulgate any regulation with respect to
 10 the standards of an accreditation agency or associa-
 11 tion described in subsection (a)(5).”.

12 **SEC. 4. ACCREDITATION STANDARDS.**

13 Section 496(a) of the Higher Education Act of 1965
 14 (20 U.S.C. 1099b(a)) is amended—

15 (1) in the matter preceding paragraph (1), by
 16 striking “of student achievement” and inserting “for
 17 the effectiveness of accrediting agencies or associa-
 18 tions”;

19 (2) in paragraph (4)(A), by striking “the stated
 20 objective for which the courses or the programs are
 21 offered” and inserting “the objectives for which
 22 courses or programs of this type are offered”; and

23 (3) in paragraph (5)—

24 (A) in the matter preceding subparagraph

25 (A), by striking “the standards for accredita-

tion of the agency or association assess the institution's" and inserting "the standards for accreditation of the agency or association establish benchmarks for the measures and data definitions established by the Secretary (as described in subsection (r)) with respect to such standards and assess and make accreditation determinations based on the institution's";

(B) by striking subparagraph (A) and inserting the following:

"(A) outcomes and success with respect to student achievement in relation to the institution's mission, according to the list of measures and data definitions established by the Secretary, and data provided by the Secretary to accrediting agencies or associations;"

(C) in subparagraph (I), by inserting "and any actions taken against the institution by any State or the Federal Government, including ongoing investigations, lawsuits that have survived motions to dismiss, settlements, or any judgments against the institution in a State or Federal court relating to fraud, fiscal misconduct, or deceptive practices," after "the agency or association";

1 (D) by striking subparagraph (J) and in-
 2 serting the following:

3 “(J) record of compliance with its program
 4 responsibilities under this title based on infor-
 5 mation the Secretary may provide to the agency
 6 or association; and”; and

7 (E) in the flush matter at the end, by
 8 striking “subparagraphs (A), (H), and (J)” and
 9 inserting “subparagraphs (H) and (J)”.

10 **SEC. 5. MEASURES FOR STUDENT ACHIEVEMENT.**

11 Section 496 of the Higher Education Act of 1965 (20
 12 U.S.C. 1099b) is amended by adding at the end the fol-
 13 lowing:

14 “(r) MEASURES FOR STUDENT ACHIEVEMENT.—

15 “(1) IN GENERAL.—In order to be recognized
 16 by the Secretary as a reliable authority as to the
 17 quality of education or training offered by an insti-
 18 tution of higher education seeking to participate in
 19 the programs authorized under this title or for the
 20 purpose of participation in other programs adminis-
 21 tered by the Department of Education or other Fed-
 22 eral agencies requiring approval, an accrediting
 23 agency or association shall set baseline thresholds on
 24 measures and data definitions established by the
 25 Secretary and require that each institution of higher

1 education or program subject to its jurisdiction meet
2 or exceed the baseline thresholds for the student
3 achievement measures described in paragraph (2), in
4 order to remain accredited by the agency or associa-
5 tion.

6 “(2) STUDENT ACHIEVEMENT MEASURES.—The
7 Secretary shall establish student achievement meas-
8 ures for use by accrediting agencies and associations
9 under paragraph (1), such as measures of academic
10 progression, loan repayment outcomes, post-college
11 earnings, and debt relative to earnings, or any other
12 measure, as determined by the Secretary through
13 regulation, developed in consultation with the Com-
14 missioner of the National Center for Education Sta-
15 tistics.

16 “(3) DATA DEFINITIONS.—The Secretary shall,
17 through regulations, establish data definitions for
18 each of the student achievement measures described
19 in paragraph (2) in relation to the institution’s mis-
20 sion.

21 “(4) STUDENT ACHIEVEMENT DATA.—The Sec-
22 retary shall annually provide the necessary institu-
23 tional or programmatic student achievement data to
24 accrediting agencies and associations to carry out
25 this subsection.

1 “(5) REVIEW OF STUDENT ACHIEVEMENT
 2 STANDARDS.—To assess an accrediting agency or
 3 association’s effectiveness in setting benchmarks
 4 under subsection (a)(5), the Secretary shall, during
 5 the recognition process, select not fewer than 10 of
 6 the institutions or programs approved by the accred-
 7 iting agency or association and review the bench-
 8 marks established by the agency or association for
 9 such institutions or programs, their performance on
 10 standards, and any action taken by the accrediting
 11 agency with respect to the institution’s or program’s
 12 compliance on student achievement.

13 “(6) RULE OF CONSTRUCTION.—Nothing in
 14 this subsection shall be construed as prohibiting an
 15 accrediting agency or association from assessing in-
 16 stitutions of higher education or programs beyond
 17 what is required by this subsection, or in subsection
 18 (a)(5)(A), for the purposes of continuous institu-
 19 tional or programmatic improvement.”.

20 **SEC. 6. ACCREDITATION REVIEWS.**

21 Section 496 of the Higher Education Act of 1965 (20
 22 U.S.C. 1099b), as amended by section 5, is further
 23 amended by adding at the end the following:

24 “(s) ACCREDITATION REVIEWS.—

1 “(1) STANDARD REVIEWS.—In order to be rec-
 2 ognized by the Secretary as a reliable authority as
 3 to the quality of education or training offered by an
 4 institution of higher education seeking to participate
 5 in the programs authorized under this title or a pro-
 6 gram seeking to participate in another Federal pro-
 7 gram requiring approval, an accrediting agency or
 8 association shall—

9 “(A) require that each institution of higher
 10 education or program subject to its jurisdiction
 11 undergo a standard accreditation review at reg-
 12 ular intervals as determined by the agency or
 13 association, and before the agency or associa-
 14 tion first provides accreditation to such institu-
 15 tion or program; and

16 “(B) conduct the standard accreditation
 17 review and make accreditation determinations
 18 based on the standards described in subsection
 19 (a)(5).

20 “(2) ENHANCED ACCREDITATION REVIEWS.—

21 “(A) IN GENERAL.—In order to be recog-
 22 nized by the Secretary as a reliable authority as
 23 to the quality of education or training offered
 24 by an institution of higher education seeking to
 25 participate in the programs authorized under

1 this title or for the purpose of participation in
2 other programs administered by the Depart-
3 ment of Education or other Federal agencies
4 requiring approval, an accrediting agency or as-
5 sociation shall carry out an enhanced accredita-
6 tion review of an institution of higher education
7 or program subject to its jurisdiction—

8 “(i) immediately after the agency or
9 association learns—

10 “(I) that the institution is the
11 subject of an investigation, settlement,
12 or adverse judgment by a Federal au-
13 thority (other than the Department)
14 or a State for a violation relating to
15 fraud, fiscal misconduct, or deceptive
16 practices at the institution; or

17 “(II) of any other situation or
18 factor required by the Secretary
19 through regulations promulgated
20 under this section that relate to the
21 student achievement measures de-
22 scribed in subsection (r);

23 “(ii) if the agency or association has
24 reason to believe that the institution is fail-
25 ing to meet its program responsibilities

1 under this title or is engaged in fraud, fis-
 2 cal misconduct, or deceptive practices at
 3 the institution; or

4 “(iii) at any other time the agency or
 5 association determines necessary, as out-
 6 lined in the agency or association’s stand-
 7 ards.

8 “(B) CONTENT OF AN ENHANCED ACCRED-
 9 ITATION REVIEW.—For each enhanced accredi-
 10 tation review required under subparagraph
 11 (A)—

12 “(i) the accrediting agency or associa-
 13 tion may consider any of the factors that
 14 it considers during a standard accredita-
 15 tion review;

16 “(ii) the accrediting agency or asso-
 17 ciation shall—

18 “(I) investigate the issue that
 19 triggered the enhanced accreditation
 20 review; and

21 “(II) determine if the accredita-
 22 tion of the institution or program
 23 should be withdrawn or suspended, or
 24 if the institution or program should be
 25 placed on a continuous improvement

1 plan, or if any other action should be
2 taken; and

3 “(iii) the institution or program shall
4 be required to make additional disclosures,
5 related to the determination of the en-
6 hanced accreditation review, to the stu-
7 dents attending the institution and to the
8 public, such as written notification when
9 the institution or program receives an ac-
10 credited with risk designation and transfer
11 options available for the student to con-
12 tinue their education elsewhere from the
13 institution’s teach-out plan.

14 “(C) REVIEW REPORTING REQUIRE-
15 MENTS.—

16 “(i) IN GENERAL.—An accrediting
17 agency or association that conducts an en-
18 hanced accreditation review under this
19 paragraph shall, not later than 30 days
20 after the conclusion of the review, make
21 available to the public on the agency or as-
22 sociation’s website and submit to the Sec-
23 retary, the appropriate State licensing or
24 authorizing agency, and the appropriate
25 State Attorney General—

1 “(I) when the agency or associa-
2 tion initiates the enhanced accredita-
3 tion review and the reason for con-
4 ducting the enhanced accreditation re-
5 view;

6 “(II) at the conclusion of the en-
7 hanced accreditation review, the infor-
8 mation obtained by the agency or as-
9 sociation as part of the enhanced ac-
10 creditation review, including the insti-
11 tution or program’s performance on
12 the student achievement measures, to
13 the extent required by the Secretary
14 through regulations promulgated
15 under this section; and

16 “(III) at the conclusion of the
17 enhanced accreditation review, the
18 outcome of the enhanced accreditation
19 review and an explanation of the rea-
20 sons for any actions taken as a result
21 of the enhanced accreditation review.

22 “(ii) REPORT.—The Secretary shall
23 submit an annual report to the authorizing
24 committees, the Committee on Appropria-
25 tions of the Senate, and the Committee on

1 Appropriations of the House of Represent-
2 atives that summarizes all reports of en-
3 hanced accreditation reviews received
4 under this paragraph.”.

5 **SEC. 7. ACCREDITATION AGENCY ACTION.**

6 Section 496 of the Higher Education Act of 1965 (20
7 U.S.C. 1099b), as amended by sections 5 and 6, is further
8 amended by adding at the end the following:

9 “(t) ACCREDITATION AGENCY ACTION.—

10 “(1) IN GENERAL.—In order to be recognized
11 by the Secretary as a reliable authority as to the
12 quality of education or training offered by an insti-
13 tution of higher education seeking to participate in
14 the programs authorized under this title, an accred-
15 iting agency or association shall agree to take action,
16 as described in paragraph (2), with respect to an in-
17 stitution of higher education subject to its jurisdic-
18 tion if any of the following occur:

19 “(A) Change in ownership of the institu-
20 tion that includes a conversion from proprietary
21 to nonprofit or public control.

22 “(B) Rapid change in size of student popu-
23 lation at the institution, as defined by the Sec-
24 retary in regulations promulgated under this
25 section.

1 “(C) Any notification by the Secretary to
2 the agency or association of poor financial
3 health, including—

4 “(i) a lowering in the credit rating
5 provided to the institution by a credit rat-
6 ing agency (as defined in section 3(a) of
7 the Securities Exchange Act of 1934 (15
8 U.S.C. 78c(a))); and

9 “(ii) any other indicator of financial
10 weakness as defined by the Secretary,
11 which may include heightened cash moni-
12 toring or the requirement to post a letter
13 of credit.

14 “(D) Any other event determined by the
15 Secretary.

16 “(E) Any other event determined by the
17 accrediting agency or association.

18 “(2) ACTIONS.—The actions that may be taken
19 by an accrediting agency or association under this
20 paragraph are the following:

21 “(A) An enhanced accreditation review.

22 “(B) Formal accrediting action taken by
23 the agency or association, such as a compliance
24 assessment or the imposition of formal condi-

1 tions on accreditation that may occur separate
2 from the standard accreditation reviews.

3 “(C) A formal request for additional infor-
4 mation.

5 “(D) A recommendation that the institu-
6 tion carefully monitor and report to the accred-
7 iting agency or association factors relating to
8 the event described in paragraph (1), or put
9 into place appropriate controls or improvement
10 strategies relating to such event.

11 “(E) Other actions determined appropriate
12 by the accrediting agency or association.”.

13 **SEC. 8. OPERATING PROCEDURES.**

14 (a) NOTIFICATION.—Section 496(a)(7) of the Higher
15 Education Act of 1965 (20 U.S.C. 1099b(a)(7)) is amend-
16 ed—

17 (1) by striking “the Secretary and the appro-
18 priate State licensing or authorizing agency within
19 30 days” and inserting “the Secretary, the appro-
20 priate State licensing or authorizing agency, and the
21 appropriate State Attorney General, within 30
22 days”; and

23 (2) by striking “adverse” and inserting “nega-
24 tive”.

1 (b) AVAILABILITY TO THE PUBLIC.—Section 496(c)
2 of the Higher Education Act of 1965 (20 U.S.C.
3 1099b(c)) is amended—

4 (1) in paragraph (7)—

5 (A) in the matter preceding subparagraph
6 (A), by striking “makes available to the public
7 and the State licensing or authorizing agency,
8 and submits to the Secretary, a summary of
9 agency or association actions” and inserting
10 “makes available to the public on the agency or
11 association’s website and submits to the Sec-
12 retary (who shall submit to the Committee on
13 Health, Education, Labor, and Pensions and
14 the Committee on Appropriations of the Senate
15 and the Committee on Education and Work-
16 force and the Committee on Appropriations of
17 the House of Representatives), the appropriate
18 State licensing or authorizing agency, and the
19 appropriate State Attorney General, and other
20 relevant agencies, which may include the Bu-
21 reau of Consumer Financial Protection, the
22 Federal Trade Commission, the Department of
23 Defense, and the Department of Veterans Af-
24 fairs, as appropriate, a summary of and jus-
25 tification for the final decision issued to the in-

1 stitution regarding each accreditation action”;
2 and

3 (B) in subparagraph (C), by striking “ad-
4 verse action taken with respect to an institution
5 or placement on probation of an institution”
6 and inserting “negative action taken, including
7 an order to show cause, with respect to an insti-
8 tution or program, or placement on probation of
9 an institution or program”;

10 (2) in paragraph (8), by striking “and” after
11 the semicolon; and

12 (3) by adding at the end the following:

13 “(10) turns over to the Secretary all accredita-
14 tion documents of an institution that closes; and”.

15 **SEC. 9. CONFLICT OF INTEREST.**

16 Section 496(a) of the Higher Education Act of 1965
17 (20 U.S.C. 1099b(a)) is amended—

18 (1) in paragraph (7), by striking “and” after
19 the semicolon;

20 (2) in paragraph (8), by striking the period at
21 the end and inserting “; and”; and

22 (3) by adding at the end the following:

23 “(9) such agency or association prohibits an in-
24 dividual—

1 “(A) from participating in any review or
2 decision-making role in any part of the agency’s
3 or association’s accreditation process, including
4 service on the agency’s or association’s commis-
5 sion or governing board and reviewing or decid-
6 ing on accreditation policies or the accreditation
7 status of institutions or programs, if the indi-
8 vidual, or a family member of the individual (as
9 defined by the Secretary)—

10 “(i) is an administrative officer of an
11 institution of higher education accredited
12 by or seeking accreditation from such
13 agency or association;

14 “(ii) has a financial stake in any insti-
15 tution of higher education (other than as
16 an employee), including as an investor,
17 bondholder, creditor, vendor, or contractor;

18 “(iii) has a fiduciary responsibility to
19 an institution of higher education accred-
20 ited by or seeking accreditation from such
21 agency or association;

22 “(iv) is a federally registered lobbyist;

23 “(v) is ineligible to participate under
24 regulations prescribed by the Secretary
25 based on affiliation with an institution that

has a history of administrative or legal action brought on behalf of students or taxpayers, or that currently faces such action, or that closed without providing equitable treatment of students; or

“(vi) is a former executive leader from an accrediting agency or association that lost recognition under this section; and

“(B) from participating in any review or decision-making role in any part of the agency’s or association’s accreditation process with respect to a particular institution or program, if the individual, or a family member of the individual (as defined by the Secretary), is an employee or was an employee in the preceding 3 years of the institution or program.”.

SEC. 10. ACCREDITATION AGENCY ACCOUNTABILITY.

(a) IN GENERAL.—Section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b) is amended—

(1) in subsection (l)(1)—

(A) in subparagraph (A), by striking “or” after the semicolon;

(B) in subparagraph (B)(ii), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(C) impose a fine if the agency or association failed to notify the Secretary when the agency or association had reason to believe an institution of higher education was failing to meet its program responsibilities under this title or was engaged in fraud, fiscal misconduct, or deceptive practices at the institution, or failed to take action under subsection (t)(2) for such an institution.”; and

(2) in subsection (n)—

(A) in paragraph (3)—

(i) in the first sentence, by inserting “or any institution that the agency or association accredits” before the period at the end; and

(ii) by inserting after the first sentence the following: “The Secretary shall conduct a performance-based review and make a holistic judgment regarding whether the accrediting agency or association is a reliable authority on the quality of post-secondary education, including the quality of the agency’s or association’s processes to accurately assess outcomes and success with respect to student achievement of the

1 institutions the agency or association ac-
2 credits to deliver a quality education con-
3 sistent with the missions of the institu-
4 tions, and the effectiveness, timeliness, and
5 consistency of the accrediting agency or as-
6 sociation in addressing the standards in
7 subsection (a).”; and

8 (B) by adding at the end the following:

9 “(5)(A) Not later than 30 days after a finding
10 by a Federal or State agency or court of law that
11 an institution of higher education has violated a
12 Federal or State law related to fraud, fiscal mis-
13 conduct, or deceptive practices at the institution of
14 higher education, been the subject of a settlement or
15 lawsuit that has survived a motion to dismiss by a
16 State or Federal entity related to fraud, fiscal mis-
17 conduct, or deceptive practices, or filed for bank-
18 ruptcy, the Secretary shall carry out the following:

19 “(i) Initiate a review of the accrediting
20 agency or association that accredited the insti-
21 tution to determine if the accrediting agency or
22 association failed to effectively apply the cri-
23 teria in this section, or is otherwise not in com-
24 pliance with the requirements of this section,
25 and, if the accrediting agency or association is

1 not in compliance, shall initiate action pursuant
2 to subsection (I) to take any or all of the fol-
3 lowing actions:

4 “(I) Limit, suspend, or terminate rec-
5 ognition of the agency or association.

6 “(II) Require the agency or associa-
7 tion to take appropriate action.

8 “(III) Impose a fine for noncompli-
9 ance.

10 “(ii) Make publicly available the initiation
11 of the review and outcome.

12 “(B) The Office of Inspector General of the De-
13 partment shall review, once every 3 years, the Sec-
14 retary’s actions under this subsection, along with
15 findings by the Secretary and provide recommenda-
16 tions on appropriate fines or actions (including with-
17 drawing approval or recognition of the accrediting
18 agency or association) against an accrediting agency
19 or association sanctioned under this section to the
20 Secretary and appropriate Department staff.

21 “(C) The Office of Inspector General of the De-
22 partment shall provide a report that is made avail-
23 able to the public and provide a copy to the National
24 Advisory Committee on Institutional Quality and In-
25 tegrity, the Committee on Health, Education, Labor,

1 and Pensions of the Senate, and the Committee on
2 Education and Workforce of the House of Rep-
3 resentatives on the review under subparagraph (B).

4 “(D) Any monetary penalty or payment as-
5 sessed by an accrediting agency or association on in-
6 stitutions of higher education subject to the jurisdic-
7 tion of the agency or association as a result of a fine
8 imposed under this paragraph shall be assessed
9 equally to each institution subject to the jurisdiction
10 of the agency or association.”.

11 **SEC. 11. CREDIT TRANSFER AGREEMENT.**

12 Section 496(c) of the Higher Education Act of 1965
13 (20 U.S.C. 1099b(c)), as amended by section 8(b), is fur-
14 ther amended by adding at the end the following:

15 “(11)(A) not later than 4 years after the date
16 of enactment of the Accreditation Reform and En-
17 hanced Accountability Act of 2026, requires that
18 each institution subject to the jurisdiction of the
19 agency or association have a credit transfer agree-
20 ment with all other institutions accredited by the
21 agency or association that provides for the transfer
22 of credit earned for all general education courses
23 and for courses required as part of substantially
24 similar programs; and

1 “(B) confirms, as a part of the accreditation or
 2 reaccreditation review conducted by the agency or
 3 association, that the institution has transfer of cred-
 4 it policies that—

5 “(i) meet the requirements of subpara-
 6 graph (A);

7 “(ii) are publicly disclosed; and

8 “(iii) include a statement of the criteria es-
 9 tablished by the institution regarding the trans-
 10 fer of credit earned at another institution of
 11 higher education.”.

12 **SEC. 12. ACCREDITATION DISCLOSURE.**

13 (a) ACCREDITATION DISCLOSURE SYSTEM.—Part G
 14 of title IV of the Higher Education Act of 1965 (20 U.S.C.
 15 1088 et seq.) is amended by adding at the end the fol-
 16 lowing:

17 **“SEC. 494A. ACCREDITATION DISCLOSURE SYSTEM.**

18 “(a) IN GENERAL.—Not later than 18 months after
 19 the date of enactment of the Accreditation Reform and
 20 Enhanced Accountability Act of 2026, the Secretary shall
 21 design and establish standards for standardized online ac-
 22 creditation disclosures by institutions of higher education
 23 that participate in any program under this title. The Sec-
 24 retary shall require each such institution of higher edu-
 25 cation to—

1 “(1) display, prominently on the institution’s
2 website, a standard form of disclosure of the institu-
3 tion’s accreditation status, designed by the Sec-
4 retary, including whether the status is under appeal;

5 “(2) regularly update such display as its ac-
6 creditation status changes; and

7 “(3) include a link from such display, including
8 on the homepage of the institution’s website, to any
9 applicable supporting public documentation relating
10 to the institution’s accreditation status, including
11 correspondence to and from the accrediting agency
12 or association.

13 “(b) ACCREDITATION TERMINOLOGY.—The Sec-
14 retary shall establish by regulation common definitions for
15 the various accreditation statuses and actions taken by ac-
16 crediting agencies and associations, for use by such agen-
17 cies and associations in all public documents and reporting
18 to the Secretary, State licensing or authorizing agency,
19 and State Attorneys General.

20 “(c) COORDINATION.—In developing the system de-
21 scribed in subsection (a), the Secretary shall consult with
22 the Committee on Health, Education, Labor, and Pen-
23 sions of the Senate and the Committee on Education and
24 Workforce of the House of Representatives, other Federal
25 agencies, student and consumer advocacy groups, institu-

1 tions of higher education, accrediting agencies and asso-
 2 ciations, and other entities determined appropriate by the
 3 Secretary.

4 “(d) ACCREDITATION STATUS.—In this section, the
 5 term ‘accreditation status’ means—

6 “(1) the issuance of any order to show cause;

7 “(2) the initiation of an enhanced accreditation
 8 review under this Act and any action taken as a re-
 9 sult of such review;

10 “(3) any action taken pursuant to section
 11 496(t)(2);

12 “(4) any other action taken by an accrediting
 13 agency or association, as described in subparagraph
 14 (A), (B), or (C) of section 496(c)(8); and

15 “(5) any other factor determined appropriate by
 16 the Secretary through regulation.

17 “(e) TRANSPARENCY.—Not later than 1 year after
 18 the date of enactment of the Accreditation Reform and
 19 Enhanced Accountability Act of 2026, the Secretary shall
 20 collect from accrediting agencies and associations and
 21 publish on a federally maintained website all final docu-
 22 ments produced in the agencies’ and associations’ reviews
 23 of institutions of higher education, including site visit re-
 24 ports, decision letters, a list of members of the review com-

1 mittees, and all other final documents that the Secretary
2 determines appropriate.”.

3 (b) PROGRAM PARTICIPATION AGREEMENT.—Section
4 487(a) of the Higher Education Act of 1965 (20 U.S.C.
5 1094(a)) is amended by adding at the end the following:

6 “(30) Not later than 3 years after the date of
7 enactment of the Accreditation Reform and En-
8 hanced Accountability Act of 2026, the institution
9 will use, prominently on the institution’s website, the
10 standardized online accreditation disclosure system
11 established by the Secretary under section 494A
12 to—

13 “(A) disclose the accreditation status of
14 the institution; and

15 “(B) update the disclosure within 48 hours
16 of receiving notification from an accrediting
17 agency or association of a change in accredita-
18 tion status.”.

19 **SEC. 13. DIFFERENTIATED ACCREDITATION STATUS.**

20 Section 496 of the Higher Education Act of 1965 (20
21 U.S.C. 1099b), as amended by sections 5, 6, and 7, is
22 further amended by adding at the end the following:

23 “(u) DIFFERENTIATED ACCREDITATION STATUS.—

24 “(1) IN GENERAL.—Solely for purposes of con-
25 sumer information, an accrediting agency or associa-

tion may designate an institution of higher education or program that the agency or association accredits as ‘accredited with distinction’ or ‘accredited with risk’ according to definitions developed by the Secretary under paragraph (2).

“(2) DESIGNATION DEFINITIONS.—The Secretary, through regulation, shall develop definitions of ‘accredited with distinction’ and ‘accredited with risk’ that an accrediting agency or association shall use in making designations under paragraph (1) based on student achievement standards developed in accordance with subsection (a)(5)(A) in relation to the institution of higher education’s mission.”.

SEC. 14. TEACH-OUT AGREEMENTS AND PLANS.

Section 496(c) of the Higher Education Act of 1965 (20 U.S.C. 1099b(c)), as amended by sections 8 and 11, is further amended—

(1) by striking paragraph (3) and inserting the following:

“(3)(A) requires an institution to submit for approval to the accrediting agency or association a teach-out agreement if—

“(i) the accrediting agency or association acts to withdraw, terminate, or suspend the accreditation of the institution;

1 “(ii) the accrediting agency or association
2 requires the institution to show cause for con-
3 tinued accreditation; or

4 “(iii) the institution notifies the accrediting
5 agency or association that the institution in-
6 tends to cease operations;

7 “(B) requires an institution to—

8 “(i) submit for approval to the accrediting
9 agency or association a teach-out plan not later
10 than 30 days after the date—

11 “(I) the Department notifies the ac-
12 crediting agency or association of an action
13 against the institution pursuant to section
14 487(f);

15 “(II) the accrediting agency or asso-
16 ciation places the institution on probation
17 or show cause, or notifies the institution
18 that the agency or association deems it a
19 high-risk institution;

20 “(III) the institution is required to
21 post a Letter of Credit to the Department
22 of Education;

23 “(IV) the institution is placed on
24 Heightened Cash Monitoring 2;

1 “(V) the institution receives a failing
2 Financial Responsibility Composite Score;

3 “(VI) the institution is subject to an
4 enhanced accreditation review under sub-
5 section (s)(2); or

6 “(VII) the institution is at risk under
7 regulations prescribed by the Secretary for
8 this purpose; and

9 “(ii) regularly update and maintain the
10 teach-out plan until such time as the Secretary
11 determines; and

12 “(C) does not approve a teach-out agreement or
13 plan that includes a plan for the participation of any
14 institution of higher education that is the subject of
15 an investigation, settlement, or adverse judgment by
16 a Federal authority (including the Department) or a
17 State for a violation relating to fraud, fiscal mis-
18 conduct, or deceptive practices at the institution;”;

19 (2) by redesignating paragraphs (4) through
20 (11) as paragraphs (5) through (12), respectively;
21 and

22 (3) by inserting after paragraph (3) the fol-
23 lowing:

24 “(4) with respect to private institutions, en-
25 sures that sufficient funds have been, or will be, allo-

1 cated to carry out all teach-out plans and agree-
 2 ments required under paragraph (3);”.

3 **SEC. 15. JURISDICTION.**

4 Section 496 of the Higher Education Act of 1965 (20
 5 U.S.C. 1099b), as amended by sections 5, 6, 7, and 13,
 6 is further amended by adding at the end the following:

7 “(v) JURISDICTION.—Notwithstanding any other
 8 provision of law, any civil action brought by any party re-
 9 garding this section or implementing regulations, or an in-
 10 stitution of higher education seeking accreditation from,
 11 or accredited by, an accrediting agency or association rec-
 12 ognized by the Secretary for the purpose of this title and
 13 involving the denial, withdrawal, or termination of accredi-
 14 tation of the institution of higher education, shall be
 15 brought in the appropriate United States district court.”.

16 **SEC. 16. CHANGE OF ACCREDITOR.**

17 Section 496(h) of the Higher Education Act of 1965
 18 (20 U.S.C. 1099b(h)) is amended to read as follows:

19 “(h) CHANGE OF ACCREDITING AGENCY OR ASSOCIA-
 20 TION.—

21 “(1) IN GENERAL.—The Secretary shall not
 22 recognize the accreditation of any otherwise eligible
 23 institution of higher education that is in the process
 24 of changing its accrediting agency or association, in-

cluding due to a change in ownership of the institution, unless—

“(A) the institution submits for approval to the Secretary all materials relating to the prior accreditation, including materials that the Secretary determines demonstrate reasonable cause for changing the accrediting agency or association;

“(B) the prior accrediting agency or association confirms to the Secretary that it has no active actions, investigations, or concerns it is monitoring for the institution;

“(C) the institution has not been subject to an adverse action, probation, or show cause in the preceding 24-month period;

“(D) the switch is voluntary and not compelled by a State law; and

“(E) the institution was reaccredited under its prior accrediting agency or association’s most recent accreditation standards.

“(2) LIST.—The Secretary shall publish an annual list of institutions of higher education that have changed their accrediting agency or association that includes, for each such institution, the prior accred-

1 iting agency or association and the new accrediting
2 agency or association.”.

3 **SEC. 17. SENSE OF CONGRESS.**

4 It is the sense of Congress that—

5 (1) nothing in this Act or the amendments
6 made by this Act limits the generally accepted prin-
7 ciples of academic freedom of an institution of high-
8 er education or should be construed as providing au-
9 thority to the Secretary of Education to limit that
10 academic freedom; and

11 (2) independent, third-party accrediting agen-
12 cies or associations that provide accreditation for in-
13 stitutions of higher education—

14 (A) should—

15 (i) remain free from political inter-
16 ference;

17 (ii) use quality metrics to assess insti-
18 tutions of higher education; and

19 (iii) make independent determinations
20 about accreditation; and

21 (B) should not be subject to the political
22 preferences of changing Presidential adminis-
23 trations.

1 **SEC. 18. RULES OF CONSTRUCTION; STUDENT ACHIEVE-**
 2 **MENT DATA.**

3 Section 496 of the Higher Education Act of 1965 (20
 4 U.S.C. 1099b), as amended by sections 5, 6, 7, 13, and
 5 15, is further amended by adding at the end the following:

6 “(w) DIFFERENTIATED ACCREDITATION PROC-
 7 ESSES.—Nothing in this title shall be interpreted to pre-
 8 vent an accrediting agency or association from estab-
 9 lishing differentiated accreditation processes for institu-
 10 tions or programs based on risk.

11 “(x) APPLICABILITY.—The provisions of this section
 12 shall apply to both institutional and programmatic accred-
 13 itation that is a condition for an institution to be an eligi-
 14 ble institution for the purposes of any program authorized
 15 under this title.

16 “(y) STUDENT ACHIEVEMENT DATA.—

17 “(1) IN GENERAL.—The Secretary shall provide
 18 the necessary student achievement data to accred-
 19 iting agencies or associations needed to implement
 20 subsection (a)(5)(A).

21 “(2) DISAGGREGATION.—To the extent prac-
 22 ticable, the data described in paragraph (1) shall be
 23 provided to accrediting agencies or associations in a
 24 manner that can be disaggregated by Pell Grant re-
 25 cipient status, race or ethnicity, and gender.”.

1 **SEC. 19. PROHIBITION ON TRANSFERRING ACCREDITATION**
2 **RECOGNITION PROCESSES TO OTHER FED-**
3 **ERAL AGENCIES.**

4 (a) IN GENERAL.—Notwithstanding any other provi-
5 sion of law and subject to subsection (c), the Secretary
6 of Education shall not procure services from, contract or
7 carry out an agreement with, obtain any goods or services
8 from, transfer activities to, or enter into a similar arrange-
9 ment with, another Federal agency relating to admin-
10 istering sections 496 and 494A of the Higher Education
11 Act of 1965 (20 U.S.C. 1099b and 1098i).

12 (b) APPLICABILITY OF OTHER LAWS.—Subject to
13 subsection (c), section 430(a) of the General Education
14 Provisions Act (20 U.S.C. 1231(a)), section 415 and 419
15 of the Department of Education Organization Act (20
16 U.S.C. 3475, 3479), and section 1535 of title 31, United
17 States Code (commonly known as the “Economy Act”),
18 shall not apply to this Act.

19 (c) EXCEPTION.—This section shall not apply to—

20 (1) any procurement, contract, agreement (in-
21 cluding an agreement for obtaining goods or serv-
22 ices), transfer, or similar arrangement, between the
23 Department of Education and another Federal agen-
24 cy that was in effect on January 20, 2025; and

- 1 (2) the renewal of such a procurement, con-
- 2 tract, agreement, transfer, or similar arrangement
- 3 described in this subsection.

