# 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*)

George Gollin
University of Illinois at Urbana-Champaign
g-gollin@uiuc.edu
(217) 333-4451

November 14, 2007

A Mapping of HR 773 onto HR 4137.....1

Supporting House Resolution 773: *The Diploma Integrity Protection Act of 2007*.....2

Letter of support from the Council for Higher Education Accreditation (CHEA) and other higher education associations to Congresswoman Betty McCollum regarding HR 773.....4

Letter from CHEA to the governors, attorneys general, and chief higher education officers of each state regarding diploma mills and HR 773.....6

House Resolution 773: *The Diploma Integrity Protection Act of 2007*.....7

Title VIII, Part H of House Resolution 4137: *Diploma Mill Prevention*.....33

## A Mapping of HR 773 onto HR 4137

| **HR 773** | **HR 4137** |
|---|---|
| Sec. 1. Short Title | Sec. 1. |
| Sec. 2. Purpose; Definitions | Sec. 851. |
| Sec. 3. Findings | absent |
| Sec. 4. Recognized Accrediting Agencies and Institutions | Sec. 852. |
| Sec. 5. Accrediting Agencies | Sec. 853. |
| Sec. 6. Student Visas | absent |
| Sec. 7. Federal Employment | absent |
| Sec. 8. Task Force | Sec. 854. |
| Sec. 9. Sense of the Congress Regarding Use By States of the Federal Plan As Guidelines | Sec. 855. |
| Sec. 10. Unfair and Deceptive Acts and Practices Regarding Diplomas and Professional Certifications | Sec. 856. |
| Sec. 11. Study | absent |

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), 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 .

[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 .

[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

[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.htmH (June 30, 2004), H http://www.secinfo.com/dUuzd.zpw.htmH (July 8, 2005), and Hhttp://www.secinfo.com/drdv6.ue.htmH (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.

Council for
Higher Education
Accreditation

One Dupont Circle NW • Suite 510
Washington DC 20036-1135

tel: 202-955-6126
fax: 202-955-6129

e-mail: chea@chea.org
web: www.chea.org

**John D. Wiley (Chair)**
*University of Wisconsin–Madison*

**Gregory M. O'Brien (Vice Chair)**
*Argosy University*

**Mary Ann P. Swain (Secretary)**
*Binghamton University*
*State University of New York*

**R. Judson Carlberg (Treasurer)**
*Gordon College*

**William E. Kirwan**
**(Member-at-Large)**
*The University System of Maryland*

**Carolyn G. Williams**
**(Member-at-Large)**
*Bronx Community College*

**Caesar Andrews**
*Detroit Free Press*

**David G. Carter**
*Connecticut State University System*

**Scott S. Cowen**
*Tulane University*

**Loren Crabtree**
*The University of Tennessee*

**Larry L. Earvin**
*Huston-Tillotson University*

**Gerald G. Garbacz**
*G3, LLC*

**George D. Gollin**
*University of Illinois at Urbana-Champaign*

**N. Victor Goodman**
*Benesch, Friedlander, Coplan & Aronoff LLP*

**Madlyn L. Hanes**
*Penn State Harrisburg*

**Nancy A. Marlin**
*San Diego State University*

**Margaret A. McKenna**
*Lesley University*

**Charles H. Mitchell**
*Seattle Community Colleges*

**Karen W. Morse**
*Western Washington University*

**Paula E. Peinovich**
*Public Member*

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 Accountably 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.

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

Council for
Higher Education
Accreditation

One Dupont Circle NW • Suite 510
Washington DC 20036-1135

tel: 202-955-6126
fax: 202-955-6129

e-mail: chea@chea.org
web: www.chea.org

**John D. Wiley (Chair)**
*University of Wisconsin–Madison*

**Gregory M. O'Brien (Vice Chair)**
*Argosy University*

**Charles R. Nash (Secretary)**
*The University of Alabama System*

**Piedad F. Robertson (Treasurer)**
*Education Commission of the States*

**Richard P. Traina**
**(Immediate Past Chair)**

**Carolyn G. Williams**
**(Member-At-Large)**
*Bronx Community College*

**Michael F. Adams**
*University of Georgia*

**R. Judson Carlberg**
*Gordon College*

**Larry L. Earvin**
*Huston-Tillotson University*

**Gerald G. Garbacz**
*G3, LLC*

**George D. Gollin**
*University of Illinois at Urbana-Champaign*

**N. Victor Goodman**
*Benesch, Friedlander, Coplan & Aronoff LLP*

**Kermit L. Hall**
*University at Albany*
*State University of New York*

**William E. Kirwan**
*The University System of Maryland*

**Nancy A. Marlin**
*San Diego State University*

**Margaret A. McKenna**
*Lesley University*

**Charles H. Mitchell**
*Seattle Community Colleges*

**Paula E. Peinovich**
*Walden University*

**Charles B. Reed**
*The California State University*

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

CHEA 10th Anniversary 96-97 06-07

February 28. 2007

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

I

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.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Diploma Integrity Protection Act of 2007''.

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

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

(b) DEFINITIONS.—In this Act:

(1) DEGREE-GRANTING INSTITUTION.—The term ''degree-granting institution'' means any entity that offers or confers an academic, professional, or occupational degree, diploma, or certificate, if such degree, diploma, or certificate may be used to represent to the general public that the individual possessing such degree, diploma, or certificate has completed a program of education or training beyond secondary education.

(2) DIPLOMA MILL.—The term ''diploma mill'' means any entity that—

(A) lacks valid accreditation by an agency recognized by a Federal agency, a State government, or the Council for Higher Education Accreditation as a valid accrediting agency of institutions of higher education; and

(B) offers degrees, diplomas, or certifications, for a fee, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certification has completed a program of education or training beyond secondary education, but little or no education or course work is required to obtain such a degree, diploma, or certification.

(3) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given such term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

**SEC. 3. FINDINGS.**

The Congress finds as follows:

(1) Diploma mills (entities that sell fraudulent degrees, diplomas, or certifications), have proliferated in recent decades due to inconsistent law enforcement and technological advances such as the Internet and electronic mail.

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

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

(B) no previous academic records are required for admission;

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

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

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

(F) faculty do not have degrees or credentials from accredited institutions;

(G) the use of foreign or post office box addresses for the entity, without a physical permanent address in the United States; and

(H) names that are very similar to legitimate, accredited institutions of higher education.

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

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

(5) The safety of the American public is particularly endangered by the sale of fraudulent medical, engineering, science, and education degrees.

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

(7) Some individuals who obtain degrees from diploma mills are conspirators in fraudulent behavior, but others are innocent consumers who have become victims of financial scams.

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

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

(B) available enforcement mechanisms; and

(C) political priorities.

(9) In 2004, a Government Accountability Office investigation revealed weaknesses in the Department of Education's administration of the student loan programs for higher education, including the possibility that a diploma mill could participate in the Federal Family Education Loan Program

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

(10) The 2004 Government Accountability Office investigation included an examination of the credentials of a sampling of Federal employees, and revealed that, of the Federal employees selected for the examination, 463 Federal employees held degrees from diploma mills and other unaccredited universities, including 12 employees for the Department of Homeland Security, 13 for the Department of Justice, and 29 for the United States Postal Service. The investigation also found that Federal agencies have paid more than $150,000 in tuition payments to diploma mills and other unaccredited universities on behalf of Federal employees.

(11) Recent investigations of suspected diploma mills have exposed a tangled web of fraudulent behavior that spans across State lines and the United States border.

(12) The regulation of education in the United States is, in general, a State responsibility, and the development and regulation of academic standards in higher education is the responsibility of institutions of higher education.

(13) The Federal Government should have uniform standards to determine, for Federal purposes, the legitimacy of degrees, diplomas, certifications, and degree-granting institutions.

(14) This Act is necessary to prevent the use of fraudulent degrees for Federal purposes, and to expand Federal authority to investigate and penalize operators of diploma mills.

**SEC. 4. RECOGNIZED ACCREDITING AGENCIES AND INSTITUTIONS.**

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

(1) accrediting agencies and associations, recognized by the Secretary of Education under section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b), or by the Council for Higher Education Accreditation;

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

(3) foreign degree-granting institutions that—

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

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

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

(D) are located in a home country that is capable of performing an effective academic evaluation of the degree-granting institutions to which it issues degree-granting authority, as determined by the Secretary of State, in consultation with the Secretary of Education,

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.

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

(c) NOTICE OF RECOGNITION.—To be eligible to receive funds under title IV of the Higher Education Act of 1965, each eligible institution described in subsection (a)(2) shall, not later than 60 days after the date of the enactment of this Act, prominently display on the institution's Internet website a notice indicating that the institution is recognized by the Secretary of Education as a legitimate degree-granting institution for immigration and Federal employment and hiring purposes. If the Secretary of Education determines that an institution no longer qualifies as a legitimate degree-granting institutions described in subsection (a)(2), and removes the institution from the list maintained under such subsection, the institution shall, not later than 15 days after the removal of the institution from such list, delete the notice required by this subsection from the institution's Internet website.

**SEC. 5. ACCREDITING AGENCIES.**

No accrediting agency or association may be considered to be a reliable authority as to the quality of edu-

cation or training offered by a degree-granting institution for any purpose related to immigration, Federal employment and hiring practices, or for any other Federal purposes, unless the agency or association is on the list of accrediting agencies and associations recognized by the Secretary of Education or the Council for Higher Education Accreditation and provided to the Secretary of Homeland Security under section 4(a).

**SEC. 6. STUDENT VISAS.**

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

**SEC. 7. FEDERAL EMPLOYMENT.**

For purposes of applying any civil service law, rule, or regulation that requires or takes into consideration a degree from an institution of higher education for purposes of appointment or promotion of, or improved pay for, a Federal employee, only a degree from a degree-granting institution that is on the list of eligible institutions recognized by the Secretary of Education and pro-

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

**SEC. 8. TASK FORCE.**

(a) TASK FORCE ESTABLISHED.—The Secretary of Education shall establish within the Department of Education the Diploma Mill Task Force (referred to in this Act as the ''Task Force'').

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Task Force shall, if practicable, be composed of 19 members, as follows:

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

(B) A representative of the Department of Education with experience related to the determination of the legitimacy and quality of degrees from foreign institutions of higher education, selected by the Secretary of Education.

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

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

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

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

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

(H) A representative of the Office of Personnel Management, selected by the Director of such Office.

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

(J) A representative of the American Association of Collegiate Registrars and Admissions Officers.

(K) Two representatives of State degree approval agencies, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

(L) Two representatives from regionally accredited institutions of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

(M) One representative from a nationally accredited institution of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

(N) Four individuals from the general population with experience in higher education, the detection of fraudulent degrees and degree-granting institutions, or law enforcement related to credential fraud, selected as follows:

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

(ii) One individual selected by the Minority Leader of the House of Representatives.

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

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

(2) CRITERIA FOR MEMBERSHIP.—All members of the Task Force shall be persons who are especially qualified to serve on the Task Force by virtue of their education, training, or experience, particularly in the fields of higher education, accreditation

of institutions of higher education, foreign higher education standards, State regulation of institutions of higher education, immigration, Federal employment requirements and hiring practices, or fraud prevention, detection, or enforcement.

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

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

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

(c) DUTIES.—

(1) GUIDELINES.—The Task Force shall develop guidelines, to be used for the development of Federal legislation, to identify degree-granting institutions as legitimate or fraudulent degree-granting institutions for Federal purposes. In developing such guidelines, the Task Force shall consider—

(A) characteristics of degree-granting institutions that help determine the legitimacy of the institution, such as whether an entity—

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

(I) for little or no meaningful academic work;

(II) without requiring an appropriate level of academic achievement for the attainment of such degrees, diplomas, or certificates; or

(III) without imposing academic or other requirements for admittance into the institutions or programs offering such degrees, diplomas, or certificates;

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

(iii) has resources to support claims as a degree-granting institution, including curricula, qualified faculty, facilities, equipment, and supplies, student support services, objectives of the degrees or credentials offered, admissions practices, academic calendars and catalogs, and a grading system; and

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

and is recognized by such States as an approved institution of higher education;

(B) the feasibility of defining the term ''fraudulent degree-granting institution'' (commonly referred to as ''diploma mills''), and if feasible, shall define such term for use in Federal laws and regulations;

(C) issues related to—

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

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

(iii) the enforcement of laws and regulations prohibiting such fraudulent degree-granting institutions and practices and the use of fraudulent degrees; and

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

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

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

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

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

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

(I) the purposes for which various agencies of the United States need to identify fraudulent degree-granting institutions, and identify, prohibit, and prevent the use of degrees issued by such fraudulent institutions, and the ability of such agencies to implement any guidelines considered by the Task Force.

(2) DEVELOPMENT OF FEDERAL PLAN.—The Task Force shall develop a strategic diploma integrity protection plan (referred to in this section as

the ''Plan'') to address the sale and use of fraudulent degrees for Federal purposes. The Plan shall include the following:

(A) Recommendations to Congress regarding the implementation by Federal agencies of the guidelines developed under paragraph (1).

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

(3) SUBMISSION OF REPORT TO CONGRESS.—Not later one year after the date of the enactment of this Act, the Task Force shall submit to the appropriate congressional committees a report, including—

(A) the guidelines developed under paragraph (1);

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

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

(4) QUALIFYING BILL.—For the purposes of this section, a ''qualifying bill'' means a bill—

(A) the title of which is the following: ''A bill to establish and implement a strategic diploma integrity protection plan to address the sale and use of fraudulent degrees for Federal purposes.'';

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

(C) the provisions of which shall apply to applicable Federal agencies not later than the date that is 180 days after the date of the enactment of such bill.

(d) EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATIVE PROPOSAL.—

(1) INTRODUCTION.—The majority leader of each House or his designee shall (by request) introduce a qualified bill as defined in subsection (c)(4) not later than the tenth day of session of that House after the date of receipt of the report transmitted to the Congress under subsection (c)(3). If a qualified bill is not introduced as provided in the preceding sentence in either House, then, on the eleventh day of session of that House after the date of receipt of such report, any Member of that House may introduce the qualified bill.

(2) REFERRAL AND REPORTING IN THE HOUSE OF REPRESENTATIVES.—Any committee of the House of Representatives to which a qualified bill is referred shall report it to the House not later than the 30th day after the date of its introduction. If a committee fails to report the bill within that period or the House has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, it shall be in order to move that the House discharge the committee from further consideration of the bill. Such a motion shall be in order only at a time designated by the Speaker in the legislative schedule within two legislative days after the day on which the proponent announces his intention to offer the motion. Such a motion shall not be in order after a committee has reported a qualified bill. The previous question shall be considered as ordered on the motion to its adoption without intervening motion except twenty minutes of debate equally divided and controlled by the proponent and an opponent. If such a motion is adopted, the House shall proceed immediately to consider the qualified bill.

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

**SEC. 9. SENSE OF THE CONGRESS REGARDING USE BY STATES OF THE FEDERAL PLAN AS GUIDELINES.**

It is the sense of the Congress that—

(1) each State should implement a strategic diploma integrity plan similar to any such plan enacted by Congress in accordance with section 8, to the extent practicable and as soon as practicable after the date of the enactment of such a plan under such section; and

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

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

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

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

(1) The issuing of a degree, diploma, certificate, or any similar document by an entity that is not recognized as a legitimate degree-granting institution by the Secretary of Education, if such degree, diploma, certificate, or similar document misrepresents, directly or indirectly, the subject matter, substance, or content of the course of study or any other material fact concerning the course of study for which such degree, diploma, certificate, or similar document was awarded.

(2) The offering or conferring of an academic, professional, or occupational degree if the entity offering or conferring the degree—

(A) is not an institution of higher education;

(B) has not been accredited by an accrediting agency or association that is recognized for any purpose by any appropriate Federal agency, or by the Council for Higher Education Accreditation; or

(C) is not recognized by the Secretary of Education as an eligible institution under section 4(a)(2),

unless the entity offering or conferring such a degree clearly and conspicuously discloses, in all advertising and promotional materials that contain a reference to such a degree, that the awarding of the degree has not been so authorized or that the entity offering or conferring the degree has not been so approved or recognized.

(3) The claiming or asserting in any advertisements or promotional material of an entity offering or conferring an academic, professional, or occupational degree, that such entity has—

(A) an accredited status unless it holds accreditation from an accrediting agency that is recognized by the Secretary of Education or the Council for Higher Education Accreditation, or is recognized for any purpose by any appropriate Federal agency or, for foreign sources of accreditation, unless it holds accreditation from an accrediting agency that is recognized by the appropriate agency or ministry of jurisdiction in the country of the accrediting agency; or

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

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

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

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

(d) REPORTING REQUIREMENT.—

(1) FEDERAL TRADE COMMISSION.—In administering and enforcing the rule required under subsection (a), the Federal Trade Commission shall report regularly to the Secretary of Education any in-

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

(2) SECRETARY OF EDUCATION.—The Secretary of Education shall make available to the general public, in paper and electronic forms, the information reported to the Secretary in accordance with paragraph (1).

**SEC. 11. STUDY.**

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

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

(A) are legitimate degree-granting institutions; and

(B) are fraudulent degree-granting institutions.

(2) An analysis of why legitimate degree-granting institutions do not obtain accreditation by an accrediting agency or association described in para-

graph (1), and specifically why some such institutions voluntarily elect not to obtain such accreditation.

(3) An analysis of any steps taken by the Department of Education to repair the vulnerabilities in the Federal Family Education Loan Program revealed by the Office of Special Investigations of the Government Accountability Office, as reported to the Subcommittee on 21st Century Competitiveness of the Committee on Education and the Workforce of the House of Representatives on September 23, 2004.

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

○

''(B) demonstrated a willingness and commitment to improving the higher education enrollment rates of the local educational agency or State, respectively.

''(b) GRANT RECIPIENT CRITERIA.—The recipient of the grant awarded under subsection (a) shall be a nonprofit organization with demonstrated expertise—

''(1) in increasing school-wide higher education enrollment rates in low-income communities nationwide by providing curriculum, training, and technical assistance to secondary school staff and student peer influencers; and

''(2) in a college transition data management system.

**''PART H—DIPLOMA MILL PREVENTION**

**''SEC. 851. PURPOSE; DEFINITIONS.**

''(a) PURPOSE.—The purpose of this part is to protect institutions of higher education, businesses and other employers, professional licensing boards, patients and clients of degree holders, taxpayers, and other individuals from any person claiming to possess a legitimate academic degree that in fact was issued by a fraudulent or nonexistent school, by a non-educational entity posing as a school, or by any entity in violation of Federal or State law.

''(b) DEFINITIONS.—In this part:

''(1) DEGREE-GRANTING INSTITUTION.—The term 'degree-granting institution' means any entity that offers or confers an academic, professional, or occupational degree, diploma, or certificate, if such degree, diploma, or certificate may be used to represent to the general public that the individual possessing such degree, diploma, or certificate has completed a program of education or training beyond secondary education.

''(2) DIPLOMA MILL.—The term 'diploma mill' means any entity that—

''(A) lacks valid accreditation by an agency recognized by a Federal agency or a State government as a valid accrediting agency of institutions of higher education; and

''(B) offers degrees, diplomas, or certifications, for a fee, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certification has completed a program of education or training beyond secondary education, but little or no education or course work is required to obtain such a degree, diploma, or certification.

''(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 102.

**"SEC. 852. RECOGNIZED ACCREDITING AGENCIES AND INSTITUTIONS.**

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

''(1) accrediting agencies and associations, recognized by the Secretary of Education under section 496, or, at the discretion of the Secretary, other organizations involved in accreditation;

''(2) eligible institutions, as defined under section 435(a); and

''(3) to the extent practicable, foreign degree-granting institutions that—

''(A) have degree-granting authority, as granted by the appropriate agency or ministry of jurisdiction in the home country of such institution;

''(B) issue degrees that are accepted for professional licensure, public employment, and

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

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

"(D) are located in a home country that is capable of performing an effective academic evaluation of the degree-granting institutions to which it issues degree-granting authority, as determined by the Secretary of State, in consultation with the Secretary of Education,

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.

"(b) REVISIONS TO LISTS.—The Secretary of Education shall modify and maintain the lists described in subsection (a) as necessary to ensure that the lists and the information contained in the lists are accurate and up-to-date, based on the most recent information available to the Secretary.

''(c) NOTICE OF RECOGNITION.—To be eligible to receive funds under title IV, each eligible institution described in subsection (a)(2) shall, not later than 60 days after the date of the enactment of this part, prominently display on the institution's Internet website a notice indicating that the institution is recognized by the Secretary of Education as a legitimate institution for immigration and Federal employment and hiring purposes. If the Secretary of Education determines that an institution no longer qualifies as a legitimate degree-granting institutions described in subsection (a)(2), and removes the institution from the list maintained under such subsection, the institution shall, not later than 15 days after the removal of the institution from such list, delete the notice required by this subsection from the institution's Internet website.

**''SEC. 853. ACCREDITING AGENCIES.**

''No accrediting agency or association may be considered to be a reliable authority as to the quality of education or training offered by a degree-granting institution for any purpose related to immigration, Federal employment and hiring practices, or for any other Federal purposes, unless the agency or association is on the list of accrediting agencies and associations recognized by the Secretary of Education and provided to the Secretary of Homeland Security under section 852. The Secretary may

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

**"SEC. 854. TASK FORCE.**

"(a) TASK FORCE ESTABLISHED.—The Secretary of Education shall establish within the Department of Education the Diploma Mill Task Force (referred to in this part as the 'Task Force').

"(b) MEMBERSHIP.—

"(1) NUMBER AND APPOINTMENT.—The Task Force shall, if practicable, be composed of 19 members, as follows:

"(A) The Assistant Secretary of Education for Postsecondary Education.

"(B) A representative of the Department of Education with experience related to the determination of the legitimacy and quality of degrees from foreign institutions of higher education, selected by the Secretary of Education.

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

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

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

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

"(G) A representative of the Department of Homeland Security, selected by the Secretary of Homeland Security.

"(H) A representative of the Office of Personnel Management, selected by the Director of such Office.

"(I) A representative of a national accreditation association.

"(J) A representative of a national organization representing collegiate registrars and admissions officers.

"(K) Two representatives of State degree approval agencies, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

"(L) Two representatives from regionally accredited institutions of higher education, selected by agreement of at least 3 of the Speaker

of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

''(M) One representative from a nationally accredited institution of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

''(N) Four individuals from the general population with experience in higher education, the detection of fraudulent degrees and degree-granting institutions, or law enforcement related to credential fraud, selected as follows:

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

''(ii) One individual selected by the Minority Leader of the House of Representatives.

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

''(iv) One individual selected by the Minority Leader of the Senate.

''(2) CRITERIA FOR MEMBERSHIP.—All members of the Task Force shall be persons who are es-

pecially qualified to serve on the Task Force by virtue of their education, training, or experience, particularly in the fields of higher education, accreditation of institutions of higher education, foreign higher education standards, State regulation of institutions of higher education, immigration, Federal employment requirements and hiring practices, or fraud prevention, detection, or enforcement.

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

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

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

''(c) DUTIES.—

''(1) GUIDELINES.—The Task Force shall develop guidelines, to be used for the development of Federal legislation, to identify degree-granting institutions as legitimate or fraudulent degree-granting institutions for Federal purposes. In developing such guidelines, the Task Force shall consider—

"(A) characteristics of degree-granting institutions that help determine the legitimacy of the institution, such as whether an entity—

"(i) offers or confers degrees, diplomas, or certificates—

"(I) for little or no meaningful academic work;

"(II) without requiring an appropriate level of academic achievement for the attainment of such degrees, diplomas, or certificates; or

"(III) without imposing academic or other requirements for admittance into the institutions or programs offering such degrees, diplomas, or certificates;

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

"(iii) has resources to support claims as a degree-granting institution, including curricula, qualified faculty, facilities, equipment, and supplies, student support services, objectives of the degrees or credentials offered, admissions practices, aca-

demic calendars and catalogs, and a grading system; and

''(iv) has degree-granting authority issued by the States in which degrees, or instruction leading to degrees, are offered, and is recognized by such States as an approved institution of higher education;

''(B) the feasibility of defining the term 'fraudulent degree-granting institution' (commonly referred to as 'diploma mills'), and if feasible, shall define such term for use in Federal laws and regulations;

''(C) issues related to—

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

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

''(iii) the enforcement of laws and regulations prohibiting such fraudulent degree-granting institutions and practices and the use of fraudulent degrees; and

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

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

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

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

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

"(H) the study and the report to the Task Force required under this section; and

"(I) the purposes for which various agencies of the United States need to identify fraudulent degree-granting institutions, and identify, prohibit, and prevent the use of degrees issued by such fraudulent institutions, and the ability

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

''(2) DEVELOPMENT OF FEDERAL PLAN.—The Task Force shall develop a strategic diploma integrity protection plan (referred to in this section as the 'Plan') to address the sale and use of fraudulent degrees for Federal purposes. The Plan shall include the following:

''(A) Recommendations to Congress regarding the implementation by Federal agencies of the guidelines developed under paragraph (1).

''(B) Recommendations to the Federal Trade Commission regarding the application of the guidelines developed under paragraph (1) to any rulemaking under section 856 and to the enforcement of the rules promulgated under such section.

''(3) SUBMISSION OF REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this part, the Task Force shall submit to the appropriate congressional committees a report, including—

''(A) the guidelines developed under paragraph (1);

''(B) the Plan developed under paragraph (2); and

''(C) a legislative proposal for consideration by Congress.

**''SEC. 855. SENSE OF THE CONGRESS REGARDING USE BY STATES OF THE FEDERAL PLAN AS GUIDELINES.**

''It is the sense of the Congress that—

''(1) each State should implement a strategic diploma integrity plan similar to any such plan enacted by Congress in accordance with section 854, to the extent practicable and as soon as practicable after the date of the enactment of such a plan under such section; and

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

**"SEC. 856. UNFAIR AND DECEPTIVE ACTS AND PRACTICES REGARDING DIPLOMAS AND PROFESSIONAL CERTIFICATIONS.**

''Not later than 180 days after the date of enactment of this part, the Secretary shall request in writing that the Federal Trade Commission shall develop a plan to address diploma mills based on section 18 of Federal Trade Commission Act (15 U.S.C. 57a).

## "PART I—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

**"SEC. 861. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.**

''(a) GRANTS AUTHORIZED.—

''(1) IN GENERAL.—From the amount appropriated to carry out this part under section 800, the Secretary is authorized to award grants, on a competitive basis, to institutions of higher education or consortia of institutions of higher education to enable institutions of higher education or consortia to pay the Federal share of the cost of carrying out the authorized activities described in subsection (c).

''(2) CONSULTATION WITH THE ATTORNEY GENERAL AND THE SECRETARY OF HOMELAND SECURITY.—Where appropriate, the Secretary shall award grants under this section in consultation with