



The Commonwealth of Massachusetts
House of Representatives
State House, Boston 02133-1054

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Representative Smola Supports Bill to Protect Students and Assist Colleges Facing Closure

BOSTON – Representative Todd M. Smola (R-Warren, Ranking Member, Committee on Ways & Means) is backing a proposal to assist financially struggling colleges facing potential closure and to protect impacted students and faculty members.

House Bill 4099, An Act to support improved financial stability in higher education, provides the Board of Higher Education with a greater oversight role in monitoring the financial well-being of the state's colleges and universities, and requires schools at risk of imminent closure to prepare contingency plans to notify students and pending applicants of their options. The bill was engrossed by the House of Representatives on a vote of 153-0 on October 2.

Representative Smola said the abrupt closure of Mount Ida College in 2018 underscored the need to provide students with advance notification so they can make informed decisions to complete their degrees. He noted that in the last five years alone, 18 other Massachusetts colleges have either merged or closed.

“This bill improves accountability and safeguards the financial stability of our colleges and universities,” said Representative Smola. “Most importantly, these new provisions will help protect the interests of students and families.”

Under House Bill 4099, all public and private colleges and universities must immediately notify the Board of Higher Education of any known financial liabilities or risks that could result in the imminent closure of the institution. Schools must also post certain financial information online, but other sensitive data provided by the colleges to the board would be exempt from the state's public records law.

The bill also requires the development of contingency plans so proper notice can be given to all stakeholders who would be impacted by the closure, including the host community. These contingency plans must include arrangements for students to complete their program of study in the event the school closes; the furnishing of a bond with surety or a letter of credit to refund any deposits made by new or returning students; and information about the rights and responsibilities of student loan borrowers. Schools that fail to comply would be subject to fines and other penalties.

The bill also requires the trustees of all Massachusetts colleges, universities and community colleges to undergo training every four years on the state's laws relative to open meetings, public records, procurement, and conflict of interest, as well as fraud prevention and fiduciary responsibility.

The bill now heads to the Senate for further action. For additional information please contact Representative Smola at Todd.Smola@mahouse.gov or (617)722-2100.

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