



Senate

General Assembly

File No. 28

January Session, 2009

Senate Bill No. 796

Senate, March 3, 2009

The Committee on Higher Education and Employment Advancement reported through SEN. HANDLEY of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING IN-STATE DIRECTORS OF PRIVATE OCCUPATIONAL SCHOOLS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (f) of section 10a-22b of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2009*):

4 (f) The evaluation team appointed pursuant to subsection (e) of this
5 section shall: (1) Conduct an on-site inspection; (2) submit a written
6 report outlining any evidence of noncompliance; (3) give the school
7 sixty days from the date of the report to provide evidence of
8 compliance; and (4) submit to the commissioner a written report
9 recommending authorization or nonauthorization not later than one
10 hundred twenty days after the on-site inspection. The evaluation team
11 shall determine whether (A) the quality and content of each course or
12 program of instruction, including, but not limited to, residential, on-
13 line, home study and correspondence, training or study shall

14 reasonably and adequately achieve the stated objective for which such
15 course or program is offered; (B) the school has adequate space,
16 equipment, instructional materials and personnel for the instruction
17 offered; (C) the qualifications of directors, administrators, supervisors
18 and instructors shall reasonably and adequately assure that students
19 receive education consistent with the stated objectives for which a
20 course or program is offered; (D) students and other interested persons
21 shall be provided with a catalog or similar publication describing the
22 courses and programs offered, course and program objectives, length
23 of courses and programs, schedule of tuition, fees and all other charges
24 and expenses necessary for completion of the course or program, and
25 termination, withdrawal and refund policies; (E) upon satisfactory
26 completion of the course or program, each student shall be provided
27 appropriate educational credentials by the school; (F) adequate records
28 shall be maintained by the school to show attendance and grades, or
29 other indicators of student progress, and standards shall be enforced
30 relating to attendance and student performance; (G) the applicant
31 school shall be financially sound and capable of fulfilling its
32 commitments to students; [and] (H) any student housing owned,
33 leased, rented or otherwise maintained by the applicant school shall be
34 safe and adequate; and (I) the school and any branch of the school in
35 this state has a director located at the school or branch who is
36 responsible for daily oversight of the school's or branch's operations.
37 The evaluation team may also indicate in its report such
38 recommendations as may improve the operation of the applicant
39 school.

40 Sec. 2. Subsection (a) of section 10a-22c of the general statutes is
41 repealed and the following is substituted in lieu thereof (*Effective July*
42 *1, 2009*):

43 (a) No certificate to operate a private occupational school shall be
44 authorized by the commissioner, or the commissioner's designee, if (1)
45 any principal, officer, member or director of the applicant school has
46 acted in a similar capacity for a private occupational school which has
47 had its authorization revoked pursuant to section 10a-22f; (2) the

48 applicant school does not have a net worth consisting of sufficient
 49 liquid assets or other evidence of fiscal soundness to operate for the
 50 period of time for which authorization is sought; (3) the applicant
 51 school or any of its agents engages in advertising, sales, collection,
 52 credit or other practices which are false, deceptive, misleading or
 53 unfair; (4) the applicant school has any policy which discourages or
 54 prohibits the filing of inquiries or complaints regarding the school's
 55 operation with the commissioner; (5) the applicant school fails to
 56 satisfactorily meet the criteria set forth in subsection (f) of section 10a-
 57 22b; [or] (6) a private occupational school that has previously closed
 58 fails to follow the procedures for school closure under section 10a-22m;
 59 or (7) the applicant school does not have a director located at the
 60 school and at each of its branches in this state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	10a-22b(f)
Sec. 2	<i>July 1, 2009</i>	10a-22c(a)

HED *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Higher Ed., Dept.	Private Occupational School Student Protection Acc - Revenue Impact	See Below	See Below

Municipal Impact: None

Explanation

The bill requires that any private occupational school, or branch of a school, applying for or renewing a certificate of authorization, have an on-site director. If a school is not in compliance the Commissioner of Higher Education may place a school on probation, and ultimately revoke its authorization. To the extent that additional schools close or lose authorization as a result of the additional requirement, the balance of the Private Occupational School Student Protection Account could decrease, as a result of increased payments to students.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**SB 796*****AN ACT CONCERNING IN-STATE DIRECTORS OF PRIVATE OCCUPATIONAL SCHOOLS.*****SUMMARY:**

This bill prohibits the Department of Higher Education (DHE) commissioner, or his designee, from authorizing a private occupational school to operate in this state if it does not have an on-site director at the school and each of its in-state branches. This requirement would apply to private occupational schools applying for or renewing a certificate of authorization. Although the bill does not appear to cover schools currently authorized, by law, the commissioner may place a school on probation, and ultimately revoke its authorization, if fails to comply with any of the authorization requirements.

By law, the commissioner, or his designee, appoints a team to evaluate, based on specified criteria, a private occupational school seeking an initial certificate of authorization to operate in this state. The bill requires the team to determine whether the school and each of its in-state branches has an on-site director responsible for overseeing daily operations.

EFFECTIVE DATE: July 1, 2009

BACKGROUND***Related Bills***

The Higher Education and Employment Advancement Committee reported several other bills related to the authorization of private occupational schools:

SB 766 increases the amount of the letter of credit a new private occupational school must file with the DHE commissioner, requires it

be issued by a bank with an office in the state, and extends the period for which the school must maintain it.

SB 812 conforms to current practice the annual fee, change of ownership fee, and other fees a private occupational school must pay in applying for or renewing its certificate of authorization.

HB 6291 requires a private occupational school, when renewing its certificate of authorization, to submit financial reports or audits as the commissioner, or his designee, prescribes.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable

Yea 16 Nay 0 (02/17/2009)