



General Assembly

January Session, 2009

***Raised Bill No. 801***

LCO No. 2657

\*02657\_\_\_\_\_HED\*

Referred to Committee on Higher Education and Employment  
Advancement

Introduced by:  
(HED)

***AN ACT CONCERNING THE FINANCIAL STATUS OF A SCHOOL  
APPLYING FOR AUTHORIZATION TO OPERATE AS A PRIVATE  
OCCUPATIONAL SCHOOL.***

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

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 Section 10a-22c of the general statutes is repealed and the  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

3 (a) No certificate to operate a private occupational school shall be  
4 authorized by the commissioner, or the commissioner's designee, if (1)  
5 any principal, officer, member or director of the applicant school has  
6 acted in a similar capacity for a private occupational school which has  
7 had its authorization revoked pursuant to section 10a-22f; (2) the  
8 applicant school does not have a net worth consisting of sufficient  
9 liquid assets or other evidence of fiscal soundness to operate for the  
10 period of time for which authorization is sought; (3) the applicant  
11 school or any of its agents engages in advertising, sales, collection,  
12 credit or other practices which are false, deceptive, misleading or  
13 unfair; (4) the applicant school has any policy which discourages or  
14 prohibits the filing of inquiries or complaints regarding the school's

15 operation with the commissioner; (5) the applicant school fails to  
16 satisfactorily meet the criteria set forth in subsection (f) of section 10a-  
17 22b; or (6) a private occupational school that has previously closed fails  
18 to follow the procedures for school closure under section 10a-22m.

19 (b) The commissioner may deny a certificate of authorization if the  
20 person who owns or intends to operate a private occupational school  
21 has been convicted in this state, or any other state, of larceny in  
22 violation of section 53a-122 or 53a-123; identity theft in violation of  
23 section 53a-129b or 53a-129c; forgery in violation of section 53a-138 or  
24 53a-139; or has a criminal record in this state, or any other state, that  
25 the commissioner reasonably believes renders the person unsuitable to  
26 own and operate a private occupational school. A refusal of a  
27 certificate of authorization under this subsection shall be made in  
28 accordance with the provisions of sections 46a-79 to 46a-81, inclusive.

29 (c) No certificate to operate a private occupational school shall be  
30 issued by the commissioner pursuant to section 10a-22d until such  
31 private occupational school seeking authorization files with the  
32 commissioner certificates indicating that the buildings and premises  
33 for such school meet all applicable state and local fire and zoning  
34 requirements. Such certificates shall be attested to by the fire marshal  
35 and zoning enforcement officer within the municipality in which such  
36 school is located.

37 (d) No certificate to operate a new private occupational school shall  
38 be issued by the commissioner pursuant to section 10a-22d until such  
39 private occupational school seeking authorization files with the  
40 commissioner an irrevocable letter of credit in the penal amount of  
41 twenty thousand dollars guaranteeing the payments required of the  
42 school to the private occupational school student protection account in  
43 accordance with the provisions of section 10a-22u. The letter of credit  
44 shall be payable to the private occupational school student protection  
45 account in the event that such school fails to make payments to the  
46 account as provided in subsection (a) of section 10a-22u or in the event

47 the state takes action to reimburse the account for a tuition refund paid  
48 to a student pursuant to the provisions of section 10a-22v, provided  
49 the amount of the letter of credit to be paid into the private  
50 occupational school student protection account shall not exceed the  
51 amounts owed to the account. The letter of credit required by this  
52 subsection shall be released eight years after the date of initial  
53 approval, provided evidence of fiscal soundness has been verified.

54 (e) No certificate to operate a new private occupational school shall  
55 be issued by the commissioner pursuant to section 10a-22d unless such  
56 private occupational school seeking authorization files with the  
57 commissioner documentation that it has a passing financial ratio score  
58 as required by 34 CFR 668, as amended from time to time.

59 [(e)] (f) The commissioner shall notify the applicant private  
60 occupational school, by certified mail, return receipt requested of the  
61 decision to grant or deny a certificate of authorization not later than  
62 sixty days after receiving the written report of the evaluation team  
63 appointed pursuant to subsection (e) of section 10a-22b.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2009	10a-22c

**Statement of Purpose:**

To require any person or entity seeking authorization to operate as a private occupational school to have a passing financial ratio score as required by 34 CFR 668.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*