



General Assembly

January Session, 2009

Raised Bill No. 812

LCO No. 2867

02867_____HED

Referred to Committee on Higher Education and Employment
Advancement

Introduced by:
(HED)

**AN ACT CONCERNING FEES ASSESSED TO PRIVATE
OCCUPATIONAL SCHOOLS.**

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

1 Section 1. Subsection (c) 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2 repealed and the following is substituted in lieu thereof (*Effective July*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 (c) Each person, board, association, partnership, corporation, limited
5 liability company or other entity which seeks to offer occupational
6 instruction shall submit to the commissioner, or the commissioner's
7 designee, in such manner as the commissioner, or the commissioner's
8 designee, prescribes, an application for a certificate of authorization
9 which includes, but need not be limited to, (1) the proposed name of
10 the school; (2) ownership and organization of the school including the
11 names and addresses of all principals, officers, members and directors;
12 (3) names and addresses of all stockholders of the school, except for
13 applicants which are listed on a national securities exchange; (4)
14 addresses of any building or premises on which the school will be
15 located; (5) description of the occupational instruction to be offered; (6)
16 the proposed student enrollment agreement, which includes for each

17 program of occupational instruction offered a description, in plain
18 language, of any requirements for employment in such occupation or
19 barriers to such employment pursuant to state law or regulations; (7)
20 the proposed school catalog, which includes for each program of
21 occupational instruction offered a description of any requirements for
22 employment in such occupation or barriers to such employment
23 pursuant to state law or regulations; (8) financial statements detailing
24 the financial condition of the school prepared by management and
25 reviewed or audited by an independent licensed certified public
26 accountant or independent licensed public accountant; and (9) an
27 agent for service of process. [Submitted with an] Each application for
28 initial authorization shall be accompanied by a nonrefundable
29 application fee [in the amount of two thousand dollars] made payable
30 to the private occupational school student protection account in the
31 amount of two thousand dollars for the private occupational school
32 and two hundred dollars for each branch of a private occupational
33 school in this state.

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

36 (a) After the initial year of approval and for the next three years of
37 operation as a private occupational school, renewal of the certificate of
38 authorization shall be required annually.

39 (b) Following the fourth year of continuous authorization, a renewal
40 of the certificate of authorization, if granted, shall be for a period not to
41 exceed five years and may be subject to an evaluation pursuant to
42 subsections (e) and (f) of section 10a-22b, provided no private
43 occupational school shall operate for more than five additional years
44 from the date of any renewal without the completion of an evaluation
45 pursuant to subsections (e) and (f) of section 10a-22b.

46 (c) Renewal of the certificate of authorization shall be granted only
47 upon (1) [the annual fee] payment of a nonrefundable renewal fee to
48 the Board of Governors [of a nonrefundable fee] in the amount of two

49 hundred dollars [, ~~] for the private occupational school and [an
50 additional fee of] two hundred dollars for each branch of a private
51 occupational school, [under section 10a-22g,] (2) submission of any
52 reports or audits concerning the fiscal condition of the school or its
53 continuing eligibility to participate in federal student financial aid
54 programs, (3) the filing with the commissioner of a complete
55 application for a renewed certificate of authorization not less than one
56 hundred twenty days prior to the termination date of the most recent
57 certificate of authorization, and (4) a determination that the
58 occupational school meets all the conditions of its recent authorization.~~

59 (d) If the commissioner, or the commissioner's designee, determines,
60 at any time during a school's authorization period, that such school is
61 out of compliance with the conditions of authorization under sections
62 10a-22a to 10a-22o, inclusive, as amended by this act, and any
63 applicable regulations of Connecticut state agencies, the school may be
64 placed on probation for a period not to exceed one year. If, after the
65 period of one year of probationary status, the school remains out of
66 compliance with the conditions of authorization, the commissioner
67 may revoke such school's certificate of authorization to operate as a
68 private occupational school pursuant to section 10a-22f. During the
69 school's period of probation, the school shall post its probationary
70 certificate of authorization in public view. The Department of Higher
71 Education may publish the school's probationary certificate of
72 authorization status.

73 (e) Notwithstanding the provisions of sections 10a-22a to 10a-22o,
74 inclusive, as amended by this act, the commissioner may authorize the
75 extension of the most recent certificate of authorization for a period not
76 to exceed sixty days for good cause shown, provided such extension
77 shall not change the date of the original certificate's issuance or the
78 date for each renewal.

79 (f) After the first year of authorization, each private occupational
80 school shall pay a nonrefundable annual fee to the private

81 occupational school student protection account in the amount of two
82 hundred dollars for the private occupational school and two hundred
83 dollars for each branch of a private occupational school. The annual fee
84 shall be due and payable for each year after the first year of
85 authorization that the private occupational school and any branch of a
86 private occupational school is authorized by the commissioner to offer
87 occupational instruction. Such annual fee shall be in addition to any
88 renewal fee assessed under this section.

89 Sec. 3. Subsection (a) of section 10a-22e of the general statutes is
90 repealed and the following is substituted in lieu thereof (*Effective July*
91 *1, 2009*):

92 (a) During any period of authorization by the commissioner to
93 operate as a private occupational school pursuant to sections 10a-22a
94 to 10a-22o, inclusive, as amended by this act, and sections 10a-22u to
95 10a-22w, inclusive, as amended by this act, such private occupational
96 school may request revision of the conditions of its authorization. Such
97 school shall make such request to the commissioner, in the manner and
98 on such forms prescribed by the commissioner sixty days prior to the
99 proposed implementation date of any intended revision. Such revision
100 shall include, but not be limited to, changes in (1) courses or programs;
101 (2) ownership of the school; (3) name of the school; (4) location of the
102 school's main campus; or (5) location of any of the school's additional
103 classroom sites or branch campuses. A private occupational school
104 requesting revision of the conditions of its authorization based on a
105 change in ownership of the school shall submit an application and
106 letter of credit pursuant to sections 10a-22b, as amended by this act,
107 and 10a-22c, accompanied by a nonrefundable change of ownership
108 fee made payable to the private occupational school student protection
109 account under section 10a-22u, as amended by this act, in the amount
110 of two thousand dollars for the private occupational school and two
111 hundred dollars for each branch of a private occupational school in
112 this state.

113 Sec. 4. Subsection (b) of section 10a-22g of the general statutes is
114 repealed and the following is substituted in lieu thereof (*Effective July*
115 *1, 2009*):

116 (b) The buildings and premises for such additional classroom site or
117 branch school shall meet all applicable state and local fire and zoning
118 requirements, and certificates attesting the same signed by the local
119 fire marshal and zoning enforcement officer shall be filed with the
120 commissioner prior to offering such occupational instruction. The
121 additional classroom site or branch school shall be in compliance with
122 the relevant requirements set forth in subsection (f) of section 10a-22b.
123 [A nonrefundable fee in the amount of two hundred dollars for each
124 branch school shall be paid annually into the private occupational
125 school student protection account.]

126 Sec. 5. Section 10a-22y of the general statutes is repealed and the
127 following is substituted in lieu thereof (*Effective July 1, 2009*):

128 Notwithstanding the provisions of section 10a-22d, as amended by
129 this act, the authorization period for each hospital-based occupational
130 school described in subsection (g) of section 10a-22b shall be three
131 years. Each hospital-based occupational school shall pay a renewal fee
132 of two hundred dollars for renewal of its certificate of authorization.
133 [Such] Each hospital-based occupational school shall pay an annual fee
134 of two hundred dollars for each year after the first year of
135 authorization that the hospital-based occupational school is authorized
136 by the commissioner to offer occupational instruction. The renewal fee
137 and the annual fee shall be payable to the private occupational school
138 student protection account. Each hospital-based occupational school
139 shall pay one-half of one per cent of its net tuition revenue received by
140 such school per calendar quarter into the private occupational school
141 student protection account, in accordance with section 10a-22u, as
142 amended by this act.

143 Sec. 6. Subsection (a) of section 10a-22u of the general statutes is
144 repealed and the following is substituted in lieu thereof (*Effective July*

145 1, 2009):

146 (a) There shall be an account to be known as the private
147 occupational school student protection account within the General
148 Fund. Each private occupational school authorized in accordance with
149 the provisions of sections 10a-22a to 10a-22o, inclusive, as amended by
150 this act, shall pay to the State Treasurer an amount equal to one-half of
151 one per cent of the tuition received by such school per calendar quarter
152 exclusive of any refunds paid, except that correspondence and home
153 study schools authorized in accordance with the provisions of sections
154 10a-22a to 10a-22o, inclusive, as amended by this act, shall contribute
155 to said account only for Connecticut residents enrolled in such schools.
156 Payments shall be made by January thirtieth, April thirtieth, July
157 thirtieth and October thirtieth in each year for tuition received during
158 the three months next preceding the month of payment. In addition to
159 amounts received based on tuition, the account shall also contain any
160 amount required to be deposited into the account pursuant to sections
161 10a-22a to 10a-22o, inclusive, as amended by this act. Said account
162 shall be used for the purposes of section 10a-22v. Any interest, income
163 and dividends derived from the investment of the account shall be
164 credited to the account. All direct expenses for the maintenance of the
165 account may be charged to the account upon the order of the State
166 Comptroller. The Commissioner of Higher Education may assess the
167 account (1) for all direct expenses incurred in the implementation of
168 the purposes of this section which are in excess of the normal
169 expenditures of the Department of Higher Education for accounting,
170 auditing and clerical services, and (2) for the fiscal years ending June
171 30, 2000, and June 30, 2001, in an amount not to exceed one hundred
172 seventy thousand dollars in each of such fiscal years for personnel and
173 administrative expenses for the purposes of sections 10a-22a to
174 10a-22o, inclusive, as amended by this act, provided such amount does
175 not exceed the annual interest accrual, which shall be transferred to the
176 appropriation of the Department of Higher Education for personal
177 services and other expenses for positions and responsibilities relating
178 to said sections, provided the department has expended all federal

179 funds that may be available for personnel and administrative expenses
180 for the purposes of said sections. After disbursements are made
181 pursuant to subdivisions (1) and (2) of this subsection, if the resources
182 of the private occupational school student protection account exceed
183 two million five hundred thousand dollars, no additional school
184 assessments shall be made.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	10a-22b(c)
Sec. 2	<i>July 1, 2009</i>	10a-22d
Sec. 3	<i>July 1, 2009</i>	10a-22e(a)
Sec. 4	<i>July 1, 2009</i>	10a-22g(b)
Sec. 5	<i>July 1, 2009</i>	10a-22y
Sec. 6	<i>July 1, 2009</i>	10a-22u(a)

Statement of Purpose:

To clarify the fees assessed to private occupational schools.

[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.]