

**Proposed Substitute
Bill No. 6767**

LCO No. 4794

**AN ACT CONCERNING THE APPROVAL AND AUTHORIZATION OF
PRIVATE OCCUPATIONAL SCHOOLS.**

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

1 Section 1. Section 10a-22b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2015*):

3 (a) No person, board, association, partnership, corporation, limited
4 liability company or other entity shall offer instruction in any form or
5 manner in any trade or in any industrial, commercial, service,
6 professional or other occupation unless such person, board,
7 association, partnership, corporation, limited liability company or
8 other entity first receives from the executive director a certificate
9 authorizing the occupational instruction to be offered.

10 (b) Except for initial authorizations, the executive director shall
11 accept institutional accreditation by an accrediting agency recognized
12 by the United States Department of Education, in satisfaction of the
13 requirements of this section and section 10a-22d, as amended by this
14 act, including the evaluation and attendance requirement, unless the
15 executive director finds reasonable cause not to rely upon such
16 accreditation.

17 (c) Each person, board, association, partnership, corporation, limited

18 liability company or other entity which seeks to offer occupational
19 instruction shall submit to the executive director, or the executive
20 director's designee, in such manner as the executive director, or the
21 executive director's designee, prescribes, an application for a certificate
22 of authorization which includes, but need not be limited to, (1) the
23 proposed name of the school; (2) ownership and organization of the
24 school including the names and addresses of all principals, officers,
25 members and directors; (3) names and addresses of all stockholders of
26 the school, except for applicants which are listed on a national
27 securities exchange; (4) addresses of any building or premises on
28 which the school will be located; (5) description of the occupational
29 instruction to be offered; (6) the proposed student enrollment
30 agreement, which includes for each program of occupational
31 instruction offered a description, in plain language, of any
32 requirements for employment in such occupation or barriers to such
33 employment pursuant to state law or regulations; (7) the proposed
34 school catalog, which includes for each program of occupational
35 instruction offered a description of any requirements for employment
36 in such occupation or barriers to such employment pursuant to state
37 law or regulations; (8) financial statements detailing the financial
38 condition of the school pursuant to subsection (d) of this section and
39 subsection (g) of section 10a-22d prepared by management and
40 reviewed or audited by an independent licensed certified public
41 accountant or independent licensed public accountant; and (9) an
42 agent for service of process. Each application for initial authorization
43 shall be accompanied by a nonrefundable application fee made
44 payable to the private occupational school student protection account
45 in the amount of two thousand dollars for the private occupational
46 school and two hundred dollars for each branch of a private
47 occupational school in this state.

48 (d) Each person, board, association, partnership, corporation,
49 limited liability company or other entity seeking to offer occupational
50 instruction shall have a net worth consisting of sufficient liquid assets
51 or produce other evidence of fiscal soundness to demonstrate the

52 ability of the proposed private occupational school to operate, achieve
53 all of its objectives and meet all of its obligations, including those
54 concerning staff, [and] students and rent or mortgage payments,
55 during the period of time for which the authorization is sought.

56 (e) Upon receipt of a complete application pursuant to subsection (c)
57 of this section, the executive director shall cause to be conducted an
58 evaluation of the applicant school. Not later than sixty days (1) after
59 receipt of a complete application for initial authorization, or (2) prior to
60 expiration of the authorization of a private occupational school
61 applying to renew its certificate of authorization, the executive director
62 or a designee of the executive director shall appoint an evaluation
63 team pursuant to subsection (f) of this section. Thereafter, the
64 executive director shall [advise] notify the applicant of authorization
65 or nonauthorization not later than one hundred twenty days following
66 the completed appointment of [an] such evaluation team. [pursuant to
67 subsection (e) of this section.] The executive director may consult with
68 the Labor Department and may request the advice of any other state
69 agency which may be of assistance in making a determination. In the
70 event of nonauthorization, [by] the executive director [, he] shall set
71 forth the reasons therefor in writing and the applicant school may
72 request in writing a hearing before the executive director. Such hearing
73 shall be held in accordance with the provisions of chapter 54.

74 (f) For purposes of an evaluation of an applicant school, the
75 executive director, or the executive director's designee, shall appoint
76 an evaluation team which shall include (1) at least two members
77 representing the Office of Higher Education, and (2) at least one
78 member for each of the areas of occupational instruction for which
79 authorization is sought who shall be experienced in such occupation.
80 The applicant school shall have the right to challenge any proposed
81 member of the evaluation team for good cause shown. A written
82 challenge shall be filed with the executive director within ten business
83 days following the appointment of such evaluation team. In the event
84 of a challenge, a decision shall be made thereon by the executive
85 director within ten business days from the date such challenge is filed,

86 and if the challenge is upheld the executive director shall appoint a
87 replacement. Employees of the state or any political subdivision of the
88 state may be members of evaluation teams. The executive director, or
89 the executive director's designee, shall not appoint any person to an
90 evaluation team unless the executive director, or such designee, has
91 received from such person a statement that the person has no interest
92 which is in conflict with the proper discharge of the duties of
93 evaluation team members as described in this section. The statement
94 shall be on a form prescribed by the executive director and shall be
95 signed under penalty of false statement. [Members of the evaluation
96 team shall serve without compensation.] Except for any member of the
97 evaluation team who is a state employee, members may be
98 compensated for their service at the discretion of the executive director
99 and shall be reimbursed for actual expenses, which expenses shall be
100 charged to and paid by the applicant school.

101 (g) The evaluation team appointed pursuant to subsection (f) of this
102 section shall: (1) Conduct an on-site inspection; (2) submit a written
103 report outlining any evidence of noncompliance; (3) give the school
104 [sixty] thirty days from the date of the report to provide evidence of
105 compliance; and (4) submit to the executive director a written report
106 recommending authorization or nonauthorization not later than one
107 hundred twenty days after the on-site inspection. The evaluation team
108 shall determine whether (A) the quality and content of each course or
109 program of instruction, including, but not limited to, residential, on-
110 line, home study and correspondence, training or study shall
111 reasonably and adequately achieve the stated objective for which such
112 course or program is offered; (B) the school has adequate space,
113 equipment, instructional materials and personnel for the instruction
114 offered; (C) the qualifications of directors, administrators, supervisors
115 and instructors shall reasonably and adequately assure that students
116 receive education consistent with the stated objectives for which a
117 course or program is offered; (D) students and other interested persons
118 shall be provided with a catalog or similar publication describing the
119 courses and programs offered, course and program objectives, length

120 of courses and programs, schedule of tuition, fees and all other charges
121 and expenses necessary for completion of the course or program, and
122 termination, withdrawal and refund policies; (E) upon satisfactory
123 completion of the course or program, each student shall be provided
124 appropriate educational credentials by the school; (F) adequate records
125 shall be maintained by the school to show attendance and grades, or
126 other indicators of student progress, and standards shall be enforced
127 relating to attendance and student performance; (G) the applicant
128 school shall be financially sound and capable of fulfilling its
129 commitments to students; (H) any student housing owned, leased,
130 rented or otherwise maintained by the applicant school shall be safe
131 and adequate; and (I) the school and any branch of the school in this
132 state has a director located at the school or branch who is responsible
133 for daily oversight of the school's or branch's operations. The
134 evaluation team may also indicate in its report such recommendations
135 as may improve the operation of the applicant school.

136 (h) Any hospital offering instruction in any form or manner in any
137 trade, industrial, commercial, service, professional or other occupation
138 for any remuneration, consideration, reward or promise, except to
139 hospital employees, members of the medical staff and training for
140 contracted workers, shall obtain a certificate of authorization from the
141 executive director for the occupational instruction offered. Each
142 hospital-based occupational school submitting an application for initial
143 authorization shall pay an application fee of two hundred dollars
144 made payable to the private occupational school student protection
145 account. The executive director shall develop a process for prioritizing
146 the authorization of hospital-based occupational schools based on size
147 and scope of occupational instruction offered. Such schools shall be in
148 compliance with this section when required pursuant to the executive
149 director's process, or by 2012, whichever is earlier.

150 (i) Any program, school or other entity offering instruction in any
151 form or manner in barbering or hairdressing for any remuneration,
152 consideration, reward or promise shall obtain a certificate of
153 authorization from the executive director of the Office of Higher

154 Education for the occupational instruction offered. Each program,
155 school or entity approved on or before July 1, 2013, by the Connecticut
156 Examining Board for Barbers, Hairdressers and Cosmeticians pursuant
157 to chapter 368 or 387 that submits an application for initial
158 authorization shall pay an application fee of five hundred dollars
159 made payable to the private occupational school student protection
160 account. The executive director of the Office of Higher Education shall
161 develop a process for prioritizing the authorization of such barber and
162 hairdressing programs, schools and entities. Such programs, schools
163 and entities shall be in compliance with this section on or before July 1,
164 2015, or when required pursuant to the executive director's process,
165 whichever is earlier. No person, board, association, partnership
166 corporation, limited liability company or other entity shall establish a
167 new program, school or other entity that offers instruction in any form
168 or manner in barbering or hairdressing on or after July 1, 2013, unless
169 such person, board, association, partnership, corporation, limited
170 liability company or other entity first receives from the executive
171 director of the Office of Higher Education a certificate authorizing the
172 barbering or hairdressing occupational instruction to be offered in
173 accordance with the provisions of this section.

174 Sec. 2. Subsection (c) of section 10a-22d of the general statutes is
175 repealed and the following is substituted in lieu thereof (*Effective July*
176 *1, 2015*):

177 (c) Renewal of the certificate of authorization shall be granted only
178 upon (1) payment of a nonrefundable renewal fee to the Office of
179 Higher Education in the amount of two hundred dollars for the private
180 occupational school and two hundred dollars for each branch of a
181 private occupational school, (2) submission of any reports or audits, as
182 prescribed by the executive director or the executive director's
183 designee, concerning the fiscal condition of the private occupational
184 school or its continuing eligibility to participate in federal student
185 financial aid programs, (3) the filing with the executive director of a
186 complete application for a renewed certificate of authorization not less
187 than one hundred twenty days prior to the termination date of the

188 most recent certificate of authorization, and (4) a determination that
189 the private occupational school meets all the conditions of its recent
190 authorization, including, at the discretion of the executive director,
191 evidence that such school is current on its rent or mortgage
192 obligations, and the filing of documentation with the executive
193 director that the private occupational school has a passing financial
194 ratio score as required by 34 CFR 668, as amended from time to time.

195 Sec. 3. Subsection (a) of section 10a-22g of the general statutes is
196 repealed and the following is substituted in lieu thereof (*Effective July*
197 *1, 2015*):

198 (a) A private occupational school which is authorized by the
199 executive director pursuant to sections 10a-22a to 10a-22o, inclusive,
200 and sections 10a-22u to 10a-22w, inclusive, may request authorization
201 to establish and operate additional classroom sites or branch schools
202 for the purpose of offering the occupational instruction authorized by
203 the executive director, provided the additional classroom site or
204 branch school complies with the provisions of subsection (b) of this
205 section. Such school shall make such request for authorization to
206 operate an additional classroom site or branch school, in the manner
207 and on such forms as prescribed by the executive director, at least
208 [thirty] sixty days prior to the proposed establishment of such
209 additional classroom site or branch school.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2015</i> | 10a-22b |
| Sec. 2 | <i>July 1, 2015</i> | 10a-22d(c) |
| Sec. 3 | <i>July 1, 2015</i> | 10a-22g(a) |