



Senate Bill No. 81

Public Act No. 19-87

AN ACT MAKING CERTAIN INSTITUTIONS OF HIGHER EDUCATION AND PRIVATE OCCUPATIONAL SCHOOLS INELIGIBLE FOR PUBLIC FUNDS AND LICENSURE.

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

Section 1. (NEW) (*Effective July 1, 2019*) (a) On and after January 1, 2020, any for-profit institution of higher education licensed to operate in the state that requires any student, as a condition of enrollment, to enter into an agreement that (1) limits participation in a class action against such institution, (2) limits any claim the student may have against such institution or the damages for such claim, or (3) requires the student to assert any claim against such institution in a forum that is less convenient, more costly or more dilatory for the resolution of a dispute than a judicial forum established in the state where the student may otherwise properly bring a claim, shall include in its application to the Office of Higher Education for initial or renewed institutional licensure or accreditation pursuant to section 10a-34 of the general statutes, a statement (A) disclosing the number of claims made against the institution, including claims made against a parent organization or subsidiary of the institution, by a student currently or formerly enrolled at the institution, (B) a description of the nature of the rights asserted, and (C) the status of such claims. The institution shall submit additional details regarding such claims as the executive director of the

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Office of Higher Education may require.

(b) The executive director of the Office of Higher Education may deny the application for initial or renewed license or accreditation of a for-profit institution of higher education or consider a for-profit institution of higher education ineligible to receive any public funds, including, but not limited to, federal funds administered by the office pursuant to section 10a-45 of the general statutes if (1) such institution fails to include the statement required under subsection (a) of this section in its application, or (2) upon review of such statement, the executive director determines that the public policy of protecting the interests of students in the state requires such denial. Notwithstanding the provisions of subsection (i) of section 10a-34 of the general statutes, the executive director may deny the accreditation of an institution of higher education, for the purposes of this subsection, by refusing to accept or withdrawing any previous acceptance of regional accreditation made under subsection (i) of said section.

(c) The executive director of the Office of Higher Education shall have the authority granted under sections 10a-34a, 10a-34b and 10a-34e of the general statutes, as amended by this act, to investigate and enforce the provisions of subsections (a) and (b) of this section.

Sec. 2. (NEW) (*Effective July 1, 2019*) (a) On and after January 1, 2020, any private occupational school, as defined in section 10a-22a of the general statutes, that requires any student, as a condition of enrollment, to enter into an agreement that (1) limits participation in a class action against such school, (2) limits any claim the student may have against such school or the damages for such claim, or (3) requires the student to assert any claim against such school in a forum that is less convenient, more costly or more dilatory for the resolution of a dispute than a judicial forum established in the state where the student may otherwise properly bring a claim, shall include in its application to the Office of Higher Education for initial or renewed certificate of

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authorization pursuant to sections 10a-22b and 10a-22d of the general statutes, a statement (A) disclosing the number of claims made against the school, including claims made against a parent organization or subsidiary of the school, by a student currently or formerly enrolled at the school, (B) describing the nature of the rights asserted, and (C) updating the status of such claims. The school shall submit additional details regarding such claims as the executive director of the Office of Higher Education may require.

(b) The executive director of the Office of Higher Education may deny the application for initial or renewed certificate of authorization of a private occupational school or consider a private occupational school ineligible to receive any public funds, including, but not limited to, federal funds administered by the office pursuant to section 10a-45 of the general statutes if (1) such school fails to include the statement required under subsection (a) of this section in its application, or (2) upon review of such statement, the executive director determines that the public policy of protecting the interests of students in the state requires such denial.

(c) The executive director of the Office of Higher Education shall have the authority granted under sections 10a-22i, 10a-22j and 10a-22o of the general statutes, as amended by this act, to investigate and enforce the provisions of subsections (a) and (b) of this section.

Sec. 3. Subsection (a) of section 10a-34a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(a) The executive director of the Office of Higher Education may assess any person, school, board, association or corporation which violates any provision of section 10a-34, [or] 10a-35 or section 1 of this act an administrative penalty in an amount not to exceed five hundred dollars for each day of such violation.

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Sec. 4. Section 10a-34b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

The executive director, through the Attorney General, may seek an order from the [superior court] Superior Court to prevent any violation of sections 10a-34, [and] 10a-35 and section 1 of this act through the use of an injunction in accordance with the provisions of chapter 916.

Sec. 5. Subsection (a) of section 10a-34e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(a) The Office of Higher Education may conduct any necessary review, inspection or investigation regarding applications for licensure or accreditation or possible violations of this section, [and] sections 10a-34 to 10a-34d, inclusive, as amended by this act, section 1 of this act or [of] any applicable regulations of Connecticut state agencies. In connection with any investigation, the executive director or the executive director's designee, may administer oaths, issue subpoenas, compel testimony and order the production of any record or document. If any person refuses to appear, testify or produce any record or document when so ordered, the executive director may seek relief pursuant to section 10a-34d.

Sec. 6. Subsection (a) of section 10a-22i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(a) The executive director may assess any person, board, partnership, association, corporation, limited liability company or other entity which violates any provision of sections 10a-22a to 10a-22o, inclusive, as amended by this act, sections 10a-22u to 10a-22w, inclusive, section 2 of this act or regulations adopted pursuant to section 10a-22k an administrative penalty in an amount not to exceed

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five hundred dollars for each day of such violation.

Sec. 7. Section 10a-22j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

The executive director, through the Attorney General, may seek an order from the Superior Court to prevent any violation of sections 10a-22a to 10a-22o, inclusive, as amended by this act, [or] sections 10a-22u to 10a-22w, inclusive, or section 2 of this act.

Sec. 8. Subsection (b) of section 10a-22o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(b) The executive director, or the executive director's designee, may conduct any necessary review, inspection or investigation regarding applications for certificates of authorization or possible violations of sections 10a-22a to 10a-22o, inclusive, as amended by this act, section 2 of this act or [of] any applicable regulations of Connecticut state agencies. In connection with any investigation, the executive director or the executive director's designee, may administer oaths, issue subpoenas, compel testimony and order the production of any record or document. If any person refuses to appear, testify or produce any record or document when so ordered, the executive director may seek relief pursuant to subsection (a) of this section.

Approved July 8, 2019