

WORKING DRAFT

SENATE FILE NO. _____

Private school licensing-amendments.

Sponsored by: (s) Sdraft

A BILL

for

1 AN ACT relating to private school licensing; requiring
 2 registration of all accredited private degree granting post
 3 secondary education institutions as specified; prohibiting
 4 operation without registration; eliminating licensure
 5 requirements for nonaccredited private degree granting post
 6 secondary education institutions; imposing fees; and
 7 providing for an effective date.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 21-2-401(a), (b) and (d),
 12 21-2-402(a), (b) (intro) and (d), 21-2-403(a), 21-2-404(a)
 13 and (d) and 21-2-405(a) are amended to read:

14

1 **21-2-401. License required; registration required for**
2 **private degree granting post secondary education**
3 **institutions; state board of education to administer and**
4 **set minimum standards for licensure.**

5
6 (a) Except as provided by subsection (b) of this
7 section, all trade, correspondence, distance education,
8 technical, vocational, business or other private schools,
9 ~~and all degree granting post secondary education~~
10 ~~institutions not accredited by an accrediting association~~
11 ~~recognized by the United States department of education,~~
12 which are located within the state or have their principal
13 place of business out of state but doing business in the
14 state, shall be licensed under this article before
15 operating or doing business in this state.

16
17 (b) Any private degree granting post secondary
18 education institution ~~not accredited by an accrediting~~
19 ~~association recognized by the United States department of~~
20 ~~education,~~ shall prior to operating or doing business in
21 this state, ~~maintain physical facilities as office space~~
22 ~~which is located in the state either through property owned~~
23 ~~by the institution or through office space which is subject~~
24 ~~to a current lease at the time of application. The term of~~

1 ~~any lease shall be for a minimum of one (1) year from its~~
2 ~~inception and lease renewal shall be for periods of not~~
3 ~~less than one (1) year. In addition to W.S.~~
4 ~~21-2-402(b)(vi), the institution shall provide the state~~
5 ~~department a copy of each new lease or lease renewal~~
6 ~~executed while holding a license under this article. The~~
7 ~~designated office space shall be staffed on a full-time~~
8 ~~basis by an employee of the institution. In addition, the~~
9 ~~institution shall provide the state department with~~
10 ~~evidence that substantive academic and student service-~~
11 ~~related activity is conducted at this designated location~~
12 be registered with the state board in accordance with this
13 article.

14

15 (d) The board shall establish minimum standards for
16 all schools described in subsection (a) of this section and
17 provide for the investigation and evaluation of the schools
18 as necessary to administer this article. ~~In addition, the~~
19 ~~board shall prior to issuing any license under this article~~
20 ~~and not less than once every three (3) years thereafter,~~
21 ~~inspect and visit any place of business of or any place~~
22 ~~where services are delivered by each degree granting post~~
23 ~~secondary education institution. The on-site inspection and~~
24 ~~visitation shall be conducted by a representative of the~~

~~1 state department and may occur more frequently if requested
2 by the department. The licensee shall pay the costs of the
3 inspection and visitation according to rule and regulation
4 of the department. Written findings by the department shall
5 be provided to the board and the licensee. To enforce
6 requirements prescribed under subsection (b) of this
7 section, the department may provide for random, unannounced
8 on-site visitations at designated office space locations of
9 any degree granting post secondary education institution.~~

10
11 **21-2-402. Licensure; registration of private degree**
12 **granting post secondary education institutions; fees;**
13 **suspension and revocation.**

14
15 (a) Schools specified under W.S. 21-2-401(a)
16 excluding those schools exempt under W.S. 21-2-406 and
17 private degree granting post secondary education
18 institutions subject to subsection (b) of this section,
19 shall pay an annual license fee established by rule and
20 regulation of the department in an amount that, to the
21 extent practicable, the total revenue generated from the
22 fees collected approximates but does not exceed the direct
23 and indirect costs of administering the regulatory
24 provisions required under this article.

1

2 (b) Private degree granting post secondary education3 institutions ~~specified under W.S. 21-2-401(a)~~ shall4 annually apply to the state department of education for a5 ~~license-registration~~ under this article. Application shall

6 be in a manner and on a form prescribed by the department

7 and shall include documentation or other verification of8 accreditation by an accrediting association recognized by9 the United States department of education or verification10 of candidacy status for accreditation. Except as otherwise11 provided under this subsection, an annual registration fee12 of one hundred dollars (\$100.00) shall be collected by the13 department prior to issuing a registration certificate14 under this article. If the applicant is a candidate for15 accreditation or is otherwise in the application process16 for accreditation, and the applicant submits verification17 of candidacy or application status, the department shall18 collect an annual registration fee of one thousand dollars19 (\$1,000.00) for each year the applicant institution remains20 a candidate or continues the application process, up to a21 period of not to exceed five (5) years and until the22 institution receives accreditation. Upon a showing of good23 cause by the applicant, the five (5) year period of

1 candidacy or applicant status may be extended by the
2 department.

3
4 (d) Subject to the requirements of the Wyoming
5 Administrative Procedure Act, the state board may suspend
6 or revoke a ~~license~~ registration certificate issued under
7 this section to any private degree granting post secondary
8 education institution for ~~past or current material~~
9 ~~misrepresentations or omissions in any information~~
10 ~~submitted to the department pursuant to this article, for~~
11 ~~failure of the licensee to report any change in information~~
12 ~~and other materials required under subsection (b) of this~~
13 ~~section, for multiple or repeated violations of board~~
14 ~~requirements to report or take action in a timely manner,~~
15 ~~or for any other violation of this article. The board shall~~
16 ~~provide written notice of any violation of this article to~~
17 ~~the licensee at his last known address, which shall notify~~
18 ~~the licensee of his opportunity to address any violation of~~
19 ~~this article and otherwise demonstrate compliance with this~~
20 ~~article within ten (10) days from the date of notice~~ loss
21 of accreditation status or loss of accreditation candidacy
22 or application status during any registration period.

23

1 **21-2-403. Licensing and regulation of qualifications**
2 **of agents of private schools; fee.**

3

4 (a) Agents of those schools specified under W.S.
5 21-2-401(a) and (b) who operate in the state and agents
6 employed to solicit resident students by schools located
7 outside the state which are similar to schools specified
8 under W.S. 21-2-401(a) and (b), shall be licensed under
9 this article before soliciting students and representing
10 schools in this state.

11

12 **21-2-404. Operation without license or registration**
13 **unlawful; soliciting business in public schools; furnishing**
14 **list of students.**

15

16 (a) No person shall operate a school as defined in
17 W.S. 21-2-401 in Wyoming and no private school shall
18 conduct business in Wyoming without first obtaining a
19 license or registration under this article.

20

21 (d) No school licensed under this article shall claim
22 or advertise to prospective or enrolled students that it is
23 accredited in the United States unless the named
24 accrediting association, commission or other entity is

1 approved by the United States department of education. ~~or~~
2 ~~the council for higher education accreditation.~~

3

4 **21-2-405. Performance bond or other security; amount;**
5 **exemption.**

6

7 (a) Before any school is issued a license under this
8 article, it shall submit to the state department of
9 education a performance bond or other form of security
10 prescribed by rule and regulation of the state department.
11 The bond or other form of security shall be in an amount
12 specified by department rule and regulation subject to
13 limitations prescribed by this subsection. The bond for ~~a~~
14 ~~degree granting post secondary education institution shall~~
15 ~~be not less than one hundred thousand dollars (\$100,000.00)~~
16 ~~and for all other~~ private schools except those schools
17 excluded under subsection (b) of this section and private
18 degree granting posit secondary education institutions
19 registered under this article, shall be not more than ten
20 thousand dollars (\$10,000.00). The bonds or other form of
21 security shall be approved by the attorney general and
22 shall be renewed annually as long as the school retains its
23 license to do business in Wyoming. The performance bond or
24 other form of security is to assure protection of all

1 persons enrolled in a course of study who may be aggrieved
2 by any school doing business or operating in the state.
3 The department of education is custodian of all bonds and
4 other securities filed under this section and may render
5 administrative but not legal assistance to all aggrieved
6 persons who may be entitled to relief under the bond.

7

8 **Section 2.** W.S. 21-2-402(b)(i) through (xii) and (c),
9 21-2-404(c) and 21-2-406(a)(i)(B) and (b) are repealed.

10

11 **Section 3.** This act is effective July 1, 2006.

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13

(END)