ENROLLED ACT NO. 6, SENATE

FIFTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING 2003 GENERAL SESSION

AN ACT relating to private school licensing; imposing additional requirements upon degree granting post secondary education institutions as specified; increasing fees for such licensed institutions; imposing a processing fee for all licensees; increasing bonding requirements; specifying license suspension and revocation; increasing criminal penalties; and providing for an effective date.

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

Section 1. W.S. 21-2-401, 21-2-402 (b) (i), (iii), (iv), by creating new paragraphs (viii) through (xi), by renumbering (viii) as (xii), (c) and (d), 21-2-405 (a) and 21-2-407 are amended to read:

21-2-401. License required; state board of education to administer and set minimum standards; in-state office required; on-site inspections by state department.

- (a) All trade, correspondence, distance education, technical, vocational, business or other private schools, and all degree granting post secondary education institutions not accredited by a an accrediting association recognized and accepted accrediting agency as defined by rule and regulation of by the state United States department of education, which are located within the state or have their principal place of business out of state but doing business in the state, shall be licensed under this article before operating or doing business in this state.
- (b) Any degree granting post secondary education institution not accredited by a recognized and accepted an accrediting agency as defined by rule and regulation of the state association recognized by the United States department of education, and specified under subsection (a)

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of this section, shall prior to operating or doing business in this state, maintain physical facilities as office space which is located in the state either through property owned by the institution or through office space which is subject to a current lease at the time of application. The term of any lease shall be for a minimum of one (1) year from its inception and lease renewal shall be for periods of not than one (1) year. In addition 21-2-402(b)(vi), the institution shall provide the state department a copy of each new lease or lease renewal entered into executed while holding a license under this article. The designated office space shall be staffed on a full-time basis by an employee of the institution. addition, the institution shall provide the state department with evidence that substantive academic and student service-related activity is conducted at this designated location.

- (c) The state board of education, through the state department of education, shall administer <u>and enforce</u> this article.
- (d) The board shall establish minimum standards for all schools described in subsection (a) of this section and provide for the investigation and evaluation of the schools as necessary to administer this article. In addition, the board shall prior to issuing any license under this article and not less than once every three (3) years thereafter, inspect and visit the principal place of business of any place of business of or any place where services are delivered by each degree granting post secondary education institution. The on-site inspection and visitation shall be conducted by a representative of the state department and may occur more frequently if requested by the department. The licensee shall pay the costs of the inspection and visitation according to rule and regulation of the

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department. Written findings by the department shall be provided to the board and the licensee. To enforce requirements prescribed under subsection (b) of this section, the department may provide for random, unannounced on-site visitations at designated office space locations of any degree granting post secondary education institution.

21-2-402. Licensure; post secondary education institutions; application; fees; suspension and revocation.

- (b) Post secondary education institutions specified under W.S. 21-2-401(a) shall apply to the state department of education for a license under this article. Application shall be in a manner and on a form prescribed by the department and shall include:
- (i) A current financial statement prepared or in accordance with generally accepted accounting principles and audited by a certified public accountant;
- (iii) The professional credentials instructor of the institution including an official copy of transcripts verifying academic academic verification of educational degrees attained, the name of the institution granting the degree and if the status of the institution is accredited with respect to accreditation by a recognized and accepted regional accrediting agency as defined by department rule and regulation. In addition and association recognized by the United States department of education. For institutions granting bachelors, masters or doctorate degrees, application shall include verification that not less than fifty percent (50%) of instructors employed or contracted by the institution have received a masters or doctorate degree in their respective field of study from a college or university accredited by a regional accrediting association recognized by the United States

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department of education, and that unless a waiver is granted by the department for an otherwise qualified instructor, the remaining fifty percent (50%) have received at least a bachelor's degree in their respective field of study from a college or university accredited by a recognized regional accrediting association or as evidenced by an evaluation of academic transcripts by service organizations pursuant to paragraph (ix) of this subsection;

- (iv) If its the license of the applicant or the license of any institution having any past or present common ownership, management, marketing or other operation of any kind with the applicant or with which the applicant has previously commingled or currently commingles its marketing, promotional, informational or operational activities in any way has been revoked, suspended, denied or has not been renewed by the licensing jurisdiction of another state, a detailed explanation of the reasons for the action together with all documents relating to any subsequent judicial or administrative proceedings;
- viii) A detailed mission statement specifying purposes and objectives of the institution, including a complete organizational chart, an illustration of the institution's financial and administrative support for faculty and student services and curriculum development, and documentation of the means by which the stated purposes and objectives will be supported by the institution;
- (ix) Evidence that all instructors, teachers and faculty in possession of foreign credentials used by the institution have submitted official copies of academic transcripts which have been translated and evaluated by service organizations or persons qualified by training from the organization in accordance with guidelines established

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by the national council on the evaluation of foreign academic credentials or the association of international evaluators;

- (A) For students in possession of foreign academic credentials, official copies of academic transcripts which have been translated and evaluated by service organizations or persons qualified by training from the organization in accordance with guidelines established by the national council on the evaluation of foreign academic credentials or the association of international evaluators;
- (B) For students whose primary written and spoken language is not English, a minimum score of five hundred (500) written and one hundred seventy-five (175) computer-based on the test of English as a foreign language (TOEFL), administered within two (2) years of admission or prior to receipt of a degree or certificate from the institution, whichever first occurs. This subparagraph shall not apply to any student attending class in an onsite classroom in a foreign country under a bona fide franchise agreement between a licensee and an educational institution in that country if the student has completed, with a grade equivalent to C or better, a minimum of six (6) semester credit hours or ninety (90) classroom contact hours of post secondary education instruction, taught by appropriately credentialed instructors, in the study of the English language. The requirement for an exception under this subparagraph shall be demonstrated by appropriately translated and evaluated academic transcripts or the

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requirement may be satisfied through instruction received concurrently with the student's course of study.

(xi) A signed and certified agreement that the applicant, upon obtaining a license, will not advertise or otherwise represent in any manner that the licensed institution is accredited unless accreditation has been received from an accrediting association recognized by the United States department of education;

 $\frac{(\text{viii})}{(\text{xii})}$ Any other information and materials required by rule and regulation of the department.

(c) A license issued to a post secondary education institution applicant under subsection (b) of this section is valid for a period of five (5) years beginning July 1 of the year in which issued. During this period of license validity, the department may upon providing proper notice, require the licensee to provide additional information and other necessary materials. In addition, the licensee shall annually report to the state department on matters and in the manner required by department rule and regulation, and the state board shall annually report to the legislature on licenses issued under subsection (b) of this section. The state department shall develop a system to process student complaints pertaining to institutions licensed under subsection (b) of this section. The department shall prior to license issuance and renewal, collect a license fee of ten thousand dollars (\$10,000.00) from any degree granting post secondary education institution licensed under this article, and a license fee of one thousand dollars (\$1,000.00) prior to license issuance for all other institutions and schools licensed under this article. For those years of operation subsequent to license issuance and prior to the year of license renewal, the department shall impose and collect an annual

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information processing fee of two thousand five hundred dollars (\$2,500.00) for a degree granting post secondary education institution.

Subject to the requirements of the Wyoming Administrative Procedure Act, the state board may suspend or revoke a license issued under this section to any post secondary education institution for past or current material misrepresentations or omissions in any information submitted to the department pursuant to this article, for failure of the licensee to report any change in information and other materials required under subsection (b) of this section, for multiple or repeated violations of board requirements to report or take action in a timely manner, or for any other violation of this article. The board shall provide written notice of any violation of this article to the licensee at his last known address, which shall notify the licensee of his opportunity to address any violation of this article and otherwise demonstrate compliance with this article within ten (10) days from the date of notice.

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

(a) Before any school is issued a license under this article, it shall submit to the state department of education a performance bond or other form of security prescribed by rule and regulation of the state department. The bond or other form of security shall be in an amount specified by department rule and regulation, except the bond for a post secondary education institution shall be not less than fifty thousand dollars (\$50,000.00) one hundred thousand dollars (\$100,000.00). The bonds or other form of security shall be approved by the attorney general and shall be renewed annually as long as the school retains its license to do business in Wyoming. The performance bond

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

21-2-407. Penalties; injunction.

Any person violating the provisions of this article is guilty of a misdemeanor punishable by a fine of not more than one hundred dollars (\$100.00) one thousand dollars (\$1,000.00), by imprisonment in the county jail not to exceed six (6) months, or both. Each solicitation of enrollment or each transaction of business without a license constitutes a separate offense. Any person violating the provisions of this article may also be enjoined from the continuation of the violation by proceedings brought by the attorney general, any district attorney, any school official or any aggrieved citizen, regardless of whether criminal proceedings have been instituted.

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Section 2. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

Speaker of the House	President of the Senate
Covernor	
Governor	
TIME APPROVED:	
I hereby certify that this act ori	ginated in the Senate.
Chief Clerk	