

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

AN ACT relating to private school licensing; transferring duties from the state board to the department of education; requiring registration of all accredited private degree granting post secondary education institutions as specified; requiring notification upon first entry into state; prohibiting operation without registration; eliminating licensure requirements for nonaccredited private degree granting post secondary education institutions; imposing fees; requiring bonding by institutions under specified conditions; specifying application; imposing transitional duties on the department of education; and providing for effective dates.

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

**Section 1.** W.S. 21-2-401, 21-2-402(a), (b)(intro), (d) and by creating a new subsection (f), 21-2-403, 21-2-404(a), (b) and (d), 21-2-405(a) and 21-2-407 are amended to read:

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

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

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

(b) Any private degree granting post secondary education institution ~~not accredited by an accrediting association recognized by the United States department of education,~~ shall prior to operating or doing business in this state, or continuing to operate or do business in this state, notify the department of education pursuant to W.S. 21-2-402(f) or be registered with the department in accordance with this article. ~~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 less than one (1) year. In addition to W.S. 21-2-402(b)(vi), the institution shall provide the state department a copy of each new lease or lease renewal 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. In 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 and enforce this article.

(d) The ~~board~~ department 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 any place of business of or any place where services are delivered by~~

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

~~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 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; registration of private degree granting post secondary education institutions; fees; suspension and revocation; notification upon entry into state.**

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

(b) Except as provided by subsection (f) of this section, private degree granting post secondary education institutions ~~specified under W.S. 21-2-401(a)~~ shall annually apply to the ~~state~~ department of education for a license-registration under this article. Application shall be in a manner and on a form prescribed by the department

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

and shall include+ documentation or other verification of accreditation by an accrediting association recognized by the United States department of education or verification of candidacy or verification of otherwise being in the application process status for accreditation. Except as otherwise provided under this subsection, an annual registration fee of one hundred dollars (\$100.00) shall be collected by the department prior to issuing a registration certificate under this article. If the applicant is a candidate for accreditation or is otherwise in the application process for accreditation, and the applicant submits verification of candidacy or application status together with a performance bond or other form of security required under W.S. 21-2-405, the department shall collect an annual registration fee of one thousand dollars (\$1,000.00) for each year the applicant institution remains a candidate or continues the application process, up to a period of not to exceed five (5) years, until the institution receives accreditation or upon refusal of accreditation by the accrediting association, whichever first occurs. The period of candidacy or otherwise in the application process status expires at the end of the five (5) year period or at the time the applicant is refused candidacy or application status or accreditation by the accrediting association, or otherwise loses candidacy or application status, whichever occurs first, and the applicant shall not operate or conduct business in this state unless, upon a showing of good cause by the applicant, the department finds the five (5) year period of candidacy or applicant status should be extended. As used in this article, "candidate for accreditation or otherwise in the application process" means that within three (3) months of first enrolling students, or by July 1, 2006, for any private degree granting post secondary education institution licensed to operate or do business under this article prior to July 1, 2006, the private degree granting

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

post secondary education institution has applied for accreditation by an accrediting association recognized by the United States department of education and is being considered for candidacy status or for accreditation by that association and is in the process of gathering information and performing activities requested by that association to complete the application process.

(d) Subject to the requirements of the Wyoming Administrative Procedure Act, the ~~state board~~ department may suspend or revoke a ~~license~~ registration certificate issued under this section to any private degree granting 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 loss of accreditation status or loss of accreditation candidacy or application status during any registration period.

(f) Any private degree granting post secondary education institution entering this state after July 1, 2006, with the intent of operating and doing business in this state, shall notify the department of education in a manner and within the time prescribed by rule and regulation of the department. Notification shall include submission of a performance bond or other form of security in an amount and in the manner prescribed by W.S. 21-2-405.

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

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

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

(b) The ~~state board, through the state~~ department of education, shall regulate qualifications of agents licensed under this section and shall establish a license fee in an amount that, to the extent practicable, the total revenue generated from the fees collected approximates, but does not exceed, the direct and indirect costs of administering the regulatory provisions required for the administration of this article. Fees collected under this subsection shall be deposited in the general fund.

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

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

(b) Unless the school or institution, proprietor or its agent has been licensed, registered or has provided notification as required under this article, no official or

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

employee of the Wyoming state department of education, any college or university within the state or any school district within the state, shall:

(i) Permit the school or institution, or proprietor or agent thereof, to solicit business in any public school within this state; and

(ii) Provide any list of students or other list of prospects to the school, institution or proprietor or agent thereof.

(d) No school or institution licensed, registered or providing notification under this article shall claim or advertise to prospective or enrolled students that it is accredited in the United States unless the named accrediting association, commission or other entity is approved by the United States department of education, ~~or the council for higher education accreditation~~ and if an institution described under W.S. 21-2-401(b), is accepted by the department.

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

(a) Before any school is issued a license under this article and before any private degree granting post secondary education institution operates in this state under a registration issued under accreditation candidacy or application status or under notification pursuant to W.S. 21-2-402(f), 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 subject to limitations prescribed by this subsection. The bond for ~~a~~

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

~~degree granting post secondary education institution shall be not less than one hundred thousand dollars (\$100,000.00) and for all other private schools~~ and for private degree granting post secondary education institutions applying for registration under accreditation candidacy or application status pursuant to W.S. 21-2-402(b) or notifying the department under W.S. 21-2-402(f), except those schools excluded under subsection (b) of this section and accredited private degree granting post secondary education institutions registered under this article, shall be not more than ten thousand dollars (\$10,000.00). 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 or until the institution receives accreditation. The performance bond 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 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, registration certificate or without providing notification to the department 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



ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

official or any aggrieved citizen, regardless of whether criminal proceedings have been instituted.

**Section 2.** W.S. 21-2-304(b)(x), 21-2-402(b)(i) through (xii) and (c), 21-2-404(c) and 21-2-406(a)(i)(B) and (b) are repealed.

**Section 3.**

(a) Any private degree granting post secondary education institution licensed to operate or do business in Wyoming under W.S. 21-2-401 through 21-2-407 prior to July 1, 2006, shall on and after July 1, 2006, be registered with the Wyoming department of education pursuant to W.S. 21-2-401(b), as amended under section 1 of this act, in order to continue to operate or do business in Wyoming.

(b) The department of education shall by rule and regulation establish criteria to provide for the transition of private degree granting post secondary education institutions licensed prior to July 1, 2006, to registration requirements imposed under this act. Criteria shall include monitoring steps defining progress towards accreditation by a recognized accrediting association as required under W.S. 21-2-402(b), as amended under section 1 of this act.

**Section 4.** All rules and regulations promulgated by the state board of education pertaining to private school licensing under W.S. 21-2-401 through 21-2-407 in effect prior to the effective date of this section shall remain in effect and unaltered as rules and regulations of the department of education until amended or repealed by the department.

**Section 5.**

ORIGINAL SENATE  
FILE NO. 0069

ENROLLED ACT NO. 31, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING  
2006 BUDGET SESSION

(a) Except as specified under subsection (b) of this section, this act is effective July 1, 2006.

(b) Notwithstanding subsection (a) of this section, sections 3 and 4 of this act are 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

\_\_\_\_\_  
Governor

TIME APPROVED: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the Senate.

\_\_\_\_\_  
Chief Clerk