STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 115

BY: TAYLOR and HANEY of the SENATE

and

HAMILTON (James) and STEIDLEY of the HOUSE

COMMITTEE SUBSTITUTEAN ACT RELATING TO THE OKLAHOMA BOARD OF PRIVATE VOCATIONAL SCHOOLS; MAKING AN APPROPRIATION THERETO; STATING THE PURPOSE; PROVIDING FOR DUTIES AND COMPENSATION OF EMPLOYEES; LIMITING THE SALARY OF THE DIRECTOR; PROVIDING BUDGETARY LIMITATIONS; AMENDING 70 O.S. 1981, SECTIONS 21-101, AS LAST AMENDED BY SECTION 11, CHAPTER 258, O.S.L. 1986, 21-103, AS AMENDED BY SECTION 7, CHAPTER 303, O.S.L. 1982, AND 21-106, AS LAST AMENDED BY SECTION 3, CHAPTER 97, O.S.L. 1989 (70 O.S. SUPP. 1990, SECTIONS 21-101, 21-103 AND 21-106), WHICH RELATE TO PRIVATE SCHOOLS AND THE OKLAHOMA BOARD OF PRIVATE SCHOOLS; CHANGING DEFINITION; MODIFYING RESTRICTION ON LICENSING; CHANGING REFERENCE; MODIFYING FEES; PROVIDING A LAPSE DATE; PROVIDING AN OPERATIVE DATE; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. There is hereby appropriated to the Oklahoma Board of Private Vocational Schools from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for

the fiscal year ending June 30, 1992, the following amount or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Board of Private Vocational Schools by law:

Personal Services	$94,197.00
Other Operating Expenses	23,079.00
TOTAL	$117,276.00

SECTION 2. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Board of Private Vocational Schools by law shall be set by the Director. The salary of the Director shall not exceed Twenty-nine Thousand Seven Hundred Fifty Dollars ($29,750.00) per annum, payable monthly for the fiscal year ending June 30, 1992. The Oklahoma Board of Private Vocational Schools for the fiscal year ending June 30, 1992, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

Full-time-equivalent Employees	3.0
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statute	$73,873.00
Professional and Personal Services Contracts	$1,000.00
Lease-Purchase Agreements	$0.00
Purchase of Equipment	$930.00
Expenditure of Federal Funds	$0.00
Total Expenditures for Operations	$117,276.00

The Board is authorized to employ one (1) temporary full-time-equivalent employee who shall be exempt from the full-time-equivalent employee limitation in this section.

SECTION 3. AMENDATORY 70 O.S. 1981, Section 21-101, as last amended by Section 11, Chapter 258, O.S.L. 1986 (70 O.S. Supp. 1990, Section 21-101), is amended to read as follows:

Section 21-101. As used in Sections 21-101 through 21-112 of this title:

1. "Private school" means any privately owned business school, flight school, trade school, or other school offering ~~resident or correspondence~~ courses ~~in this state which gives training~~ to residents of Oklahoma in any business, professional, trade, technical, or industrial occupation for consideration or remuneration. The term private school shall not include barber schools, beauty schools, or other schools which are regulated or licensed pursuant to the provisions of any school licensing law of this state. Any barber schools, beauty schools, or other schools, of their own volition, may apply and be licensed pursuant to the provisions of Section 21-103 of this title if they meet the criteria for approval established by the Oklahoma Board of Private Vocational Schools. Said licensing shall not preclude such schools from complying with any present or future legislation dealing directly with such schools. In addition, such term shall not be construed to include individuals who are not associated with a fixed base operator by ownership or contractually for profit or with a full-time flight training operation and who do not accept payment in advance of training but are authorized to provide any form of flight instruction subject to regulations promulgated by the Federal Aviation Administration, or to include parochial, private, or other nonpublic schools offering programs of general education, accredited by the State Board of Education or the State Board of Regents for Higher Education;

2. "Board" means the Oklahoma Board of Private Vocational Schools;

3. The term "in-state branch" means any private school located within this state which offers substantially the same curriculum as is offered at its in-state main school; and

4. The term "out-of-state branch" means any out-of-state private school, located in the same state as its main school, which offers substantially the same curriculum as is offered at its main school.

SECTION 4. AMENDATORY 70 O.S. 1981, Section 21-103, as amended by Section 7, Chapter 303, O.S.L. 1982 (70 O.S. Supp. 1990, Section 21-103), is amended to read as follows:

Section 21-103. A. It shall be unlawful to establish, conduct, operate or maintain a private school or to solicit or canvass for scholarships or tuition ~~to a private school in this state~~ <u>from a resident of Oklahoma</u> unless a license to operate such school has been issued by the Board and is in effect. The Board shall issue a private school license upon determination that such school meets the standards fixed by the Board. A private school shall be issued only one license, regardless of the number of locations operated by such school.

B. Except as is otherwise provided by law, the Board is authorized, subject to the provisions of the Administrative Procedures Act, to prescribe such penalties as it may deem proper for the enforcement of Sections 21-101 through ~~21-115~~ <u>21-112</u> of this title, not to exceed Five Hundred Dollars ($500.00).

SECTION 5. AMENDATORY 70 O.S. 1981, Section 21-106, as last amended by Section 3, Chapter 97, O.S.L. 1989 (70 O.S. Supp. 1990, Section 21-106), is amended to read as follows:

Section 21-106. A. A license issued pursuant to the provisions of Section 21-103 of this title shall expire on June 30 following the date of issue. Said license may be renewed annually with the renewal application due not less than sixty (60) days prior to expiration, if the Board determines that such school remains in

compliance with the standards or other requirements set by the Board. The license of any regionally or nationally accredited school within this state may be revoked if such school is found to be in violation of the Oklahoma Statutes.

B. A license shall not be valid or effective unless the private school has filed with the Board a corporate surety bond or a certificate of deposit in such a manner and in such amount as is required by the Board.

C. Private schools shall pay the following base fee per license issued by the Board:

1. A fee of ~~Three Hundred Seventy-five Dollars ($375.00)~~ Seven Hundred Fifty Dollars ($750.00) shall be paid to the Board for the issuance of a license pursuant to the provisions of Section 21-103 of this title, and a fee of Three Hundred Seventy-five Dollars ($375.00) shall be paid to the Board for each renewal of a license; and

2. ~~A~~ During the first licensing period of a school, a fee of Two Hundred Dollars ($200.00) shall be paid to the Board for the issuance of each solicitor's permit pursuant to the provisions of Section 21-104 of this title. For the second and consecutive licensing periods of the school a fee of One Hundred Dollars ($100.00) shall be paid to the Board for the issuance of each permit ~~pursuant to the provisions of Section 21-104 of this title,~~ and a fee of One Hundred Dollars ($100.00) shall be paid to the Board for each renewal of a permit. In addition to the fees required by this section, each private school shall pay an additional fee of Two Hundred Fifty Dollars ($250.00) for each in-state branch and a fee of Two Hundred Fifty Dollars ($250.00) for each out-of-state branch. Each branch which is not located in the same state as its main school or which does not offer substantially the same curriculum as is offered at the main school shall be considered to be a separate private school.

3. A fee of Fifteen Dollars ($15.00) shall be paid to the Board for the approval of a new catalog or changing to an approved catalog. A fee of Twenty-five Dollars ($25.00) shall be paid to the Board whenever a private school or branch school changes location.

Upon application for a license or renewal of a license, each private school shall designate a main school location. There is hereby created in the State Treasury a revolving fund to be designated the Private School Fund. All fees collected by the Board pursuant to the provisions of this section shall be transmitted to the State Treasurer for deposit in the Private School Fund. The fund shall be subject to legislative appropriation.

Beginning July 1, 1984, all fees collected by the Board pursuant to the provisions of this section shall be deposited with the State Treasurer for credit to the General Revenue Fund of the state. On July 1, 1984, any unappropriated balance remaining in the Private School Fund shall be transferred to the credit of the General Revenue Fund of the state. Any unexpended funds remaining in the Private School Fund after November 15, 1984, shall be transferred to the credit of the General Revenue Fund of the state.

D. If the annual renewal fee is not paid on or before the first day of July, such fee shall become delinquent and the license shall not be renewed except upon payment of a delinquent annual renewal fee. The delinquent annual renewal fee may be assessed in an amount and manner prescribed by the Board, not to exceed Five Hundred Dollars ($500.00).

SECTION 6. The appropriation made by this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1992. Any unexpended funds remaining after November 15, 1992, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 7. This act shall become operative July 1, 1991.

SECTION 8. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-1-9288 JG