

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1527

By: Perry

AS INTRODUCED

An Act relating to schools; amending 70 O.S. 1991, Sections 21-101, as amended by Section 18, Chapter 305, O.S.L. 1995 and 21-106, as amended by Section 7, Chapter 278, O.S.L. 1992 (70 O.S. Supp. 1996, Sections 21-101 and 21-106), which relate to private schools; modifying definition of a private school; changing expiration date of licenses; providing exception for certain schools from bond requirements and participation in Tuition Recovery Fund; providing exception for certain schools from liability insurance requirements; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 1991, Section 21-101, as amended by Section 18, Chapter 305, O.S.L. 1995 (70 O.S. Supp. 1996, 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 courses in, to residents of, or correspondence courses from 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. The term private school shall not include companies or individuals that perform training for business clients at the client's place of business or at a location arranged for the benefit of the client, do not operate a fixed base training facility, and do not accept payment in advance of training. 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 2. AMENDATORY 70 O.S. 1991, Section 21-106, as amended by Section 7, Chapter 278, O.S.L. 1992 (70 O.S. Supp. 1996, 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~~ twelve (12) months from 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~~ the 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~~ the school is found to be in violation of the Oklahoma Statutes.

B. ~~A~~ Except as otherwise provided in subsection C of this section, a license of a school that is not a member school as defined in Section ~~3~~ 21-200 of this ~~act~~ title shall not be 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. The license of a member school as defined in Section ~~3~~ 21-200 of this ~~act~~ title shall not be effective unless the private school has contributed to the Tuition Recovery Fund as defined in Section ~~3~~ 21-200 of this ~~act~~ title in an amount set by the Board or this act, and has filed a corporate surety bond or a certificate of deposit in such manner and in such penal amount as is required by the Board. The amount of such certificate of deposit or surety bond may be reduced as the Tuition Recovery Fund increases. No bond or certificate of deposit shall be required of a qualifying school as defined in Section ~~3~~ 21-200 of

this ~~act~~ title after the Tuition Recovery Fund has assets required by this act. The license of a new school as defined in Section ~~3~~ 21-200 of this ~~act~~ title shall not be effective unless the school has contributed to the Tuition Recovery Fund in an amount set by the Board or this act and has filed a corporate surety bond or certificate of deposit in such manner and in such penal amount as is required of a school that is not a member school. A new school that has been licensed three (3) successive years shall have the same requirements for filing corporate surety bonds or certificates of deposits as a qualifying school.

C. A company or individual which does not solicit term contracts for educational services shall not be required to file with the Board a corporate surety bond or certificate of deposit, to submit a certified financial statement or participate in the Tuition Recovery Fund to receive an effective license. In addition, a school which does not maintain a base training facility or school but provides training at the location of the client shall not be required to maintain liability insurance to receive an effective license.

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

1. A fee of 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;

2. 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

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; and

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.

Beginning July 1, 1984, all fees, penalties and fines collected by the Board pursuant to the provisions of this section and Section 21-103 of this title shall be deposited with the State Treasurer for credit to the General Revenue Fund of the state.

~~D.~~ E. 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 3. This act shall become effective July 1, 1997.

SECTION 4. 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.

