

SENATE FILE NO. SF0078

Private school licensing.

Sponsored by: Senator(s) Devin and Coe and  
Representative(s) Hageman and Wasserburger

A BILL

for

1 AN ACT relating to private school licensing; imposing  
2 additional requirements upon degree granting post secondary  
3 education institutions as specified; increasing fees for  
4 such licensed institutions; imposing a processing fee for  
5 all licensees; increasing bonding requirements; specifying  
6 license suspension and revocation; increasing criminal  
7 penalties; and 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, 21-2-402(b)(i), (iii),  
12 (iv), by creating new paragraphs (viii) through (xi), by  
13 renumbering (viii) as (xii), (c) and (d), 21-2-405(a) and  
14 21-2-407 are amended to read:

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1           **21-2-401. License required; state board of education**  
2 **to administer and set minimum standards; in-state office**  
3 **required; on-site inspections by state department.**

4  
5           (a) All trade, correspondence, distance education,  
6 technical, vocational, business or other private schools,  
7 and all degree granting post secondary education  
8 institutions not accredited by ~~a~~an accrediting agency  
9 recognized and accepted ~~accrediting agency as defined by~~  
10 ~~rule and regulation of~~ by the ~~state~~ United States  
11 department of education, which are located within the state  
12 or have their principal place of business out of state but  
13 doing business in the state, shall be licensed under this  
14 article before operating or doing business in this state.

15  
16           (b) Any degree granting post secondary education  
17 institution not accredited by a recognized and accepted  
18 accrediting agency as defined by rule and regulation of the  
19 state department of education and specified under  
20 subsection (a) of this section, shall prior to operating or  
21 doing business in this state, maintain physical facilities  
22 as office space which is located in the state either  
23 through property owned by the institution or through office  
24 space which is subject to a current lease at the time of

1 application. The term of any lease shall be for a minimum  
2 of one (1) year from its inception and lease renewal shall  
3 be for periods of not less than one (1) year. In addition  
4 to W.S. 21-2-402(b)(vi), the institution shall provide the  
5 state department a copy of each new lease or lease renewal  
6 entered into while holding a license under this article.  
7 The 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

13 (c) The state board of education, through the state  
14 department of education, shall administer and enforce this  
15 article.

16

17 (d) The board shall establish minimum standards for  
18 all schools described in subsection (a) of this section and  
19 provide for the investigation and evaluation of the schools  
20 as necessary to administer this article. In addition, the  
21 board shall prior to issuing any license under this article  
22 and not less than once every three (3) years thereafter,  
23 inspect and visit the principal place of business of each  
24 degree granting post secondary education institution. The

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

12

13 **21-2-402. Licensure; post secondary education**  
14 **institutions; application; fees; suspension and revocation.**

15

16 (b) Post secondary education institutions specified  
17 under W.S. 21-2-401(a) shall apply to the state department  
18 of education for a license under this article. Application  
19 shall be in a manner and on a form prescribed by the  
20 department and shall include:

21

22 (i) A current financial statement prepared ~~or~~in  
23 accordance with generally accepted accounting principles  
24 and audited by a certified public accountant;

1

2 (iii) The professional credentials for each  
3 instructor of the institution including an official copy of  
4 academic transcripts verifying academic status,  
5 verification of educational degrees attained, the name of  
6 the institution granting the degree and if the institution  
7 is accredited by a recognized and accepted accrediting  
8 agency as defined by department rule and regulation. In  
9 addition and for institutions granting bachelors, masters  
10 or doctorate degrees, application shall include  
11 verification that not less than fifty percent (50%) of  
12 instructors employed or contracted by the institution have  
13 received a masters or doctorate degree in their respective  
14 field of study from a college or university accredited by a  
15 regional accrediting association recognized by the United  
16 States department of education, and that the remaining  
17 fifty percent (50%) have received at least a bachelor's  
18 degree in their respective field of study from a college or  
19 university accredited by such recognized regional  
20 accrediting association;

21

22 (iv) If ~~its~~the license of the applicant or the  
23 license of any institution having any past or present  
24 common ownership, management, marketing or other operation

1 of any kind with the applicant or with which the applicant  
2 has previously commingled or currently commingles its  
3 marketing, promotional, informational or operational  
4 activities in any way, has been revoked, suspended, denied  
5 or has not been renewed by the licensing jurisdiction of  
6 another state, a detailed explanation of the reasons for  
7 the action together with all documents relating to any  
8 subsequent judicial or administrative proceedings;

9  
10 (viii) A detailed mission statement specifying  
11 purposes and objectives of the institution, including a  
12 complete organizational chart, an illustration of the  
13 institution's financial and administrative support for  
14 faculty and student services and curriculum development,  
15 and documentation of the means by which the stated purposes  
16 and objectives will be supported by the institution;

17  
18 (ix) Evidence that all non United States  
19 resident instructors, teachers and faculty used by the  
20 institution have submitted official copies of academic  
21 transcripts which have been translated and evaluated by  
22 service organizations in accordance with guidelines  
23 established by the national council on the evaluation of

1 foreign academic credentials or the association of  
2 international evaluators;

3  
4 (x) Evidence that the institution is in  
5 compliance with admission requirements for applicants which  
6 are not residents of the United States, including:

7  
8 (A) Official copies of academic transcripts  
9 which have been translated and evaluated by service  
10 organizations pursuant to guidelines established by the  
11 national council on the evaluation of foreign academic  
12 credentials or the association of international evaluators;

13  
14 (B) A minimum score of five hundred fifty  
15 (550) written and two hundred thirteen (213) computer-based  
16 on the test of English as a foreign language (TOEFL),  
17 administered within two (2) years of admission or prior to  
18 receipt of a degree or certificate from the institution,  
19 whichever first occurs.

20  
21 (xi) A signed and certified agreement that the  
22 applicant, upon obtaining a license, will not advertise or  
23 otherwise represent in any manner that the licensed  
24 institution is accredited unless accreditation has been

1 received from an accrediting agency recognized and accepted  
2 by the United States department of education;

3  
4 ~~(viii)~~ (xii) Any other information and materials  
5 required by rule and regulation of the department.

6  
7 (c) A license issued to a post secondary education  
8 institution applicant under subsection (b) of this section  
9 is valid for a period of five (5) years beginning July 1 of  
10 the year in which issued. During this period of license  
11 validity, the department may upon providing proper notice,  
12 require the licensee to provide additional written  
13 information and other necessary materials. In addition,  
14 the licensee shall annually report to the state department  
15 on matters and in the manner required by department rule  
16 and regulation, and the state board shall annually report  
17 to the legislature on licenses issued under subsection (b)  
18 of this section. The state department shall develop a  
19 system to process student complaints pertaining to  
20 institutions licensed under subsection (b) of this section.  
21 The department shall prior to license issuance and renewal,  
22 collect a license fee of ten thousand dollars (\$10,000.00)  
23 from any degree granting post secondary education  
24 institution licensed under this article, and a license fee



1 of one thousand dollars (\$1,000.00) ~~prior to license~~  
2 ~~issuance~~ for all other institutions and schools licensed  
3 under this article. In addition and applicable only for  
4 those years of operation subsequent to license issuance and  
5 prior to the year of license renewal, the department shall  
6 impose and collect an annual information processing fee of  
7 two thousand five hundred dollars (\$2,500.00) for a degree  
8 granting post secondary education institution, and a fee of  
9 five hundred dollars (\$500.00) for all other institutions  
10 and schools.

11

12 (d) Subject to the requirements of the Wyoming  
13 Administrative Procedure Act, the state board may suspend  
14 or revoke a license issued under this section to any post  
15 secondary education institution for past or current  
16 material misrepresentations or omissions in any information  
17 submitted to the department pursuant to this article, for  
18 failure of the licensee to report any change in information  
19 and other materials required under subsection (b) of this  
20 section, for multiple or repeated violations of board  
21 requirements to report or take action in a timely manner,  
22 or for any other violation of this article. The board shall  
23 provide written notice of any violation of this article to  
24 the licensee at his last known address, which shall notify

1 the licensee of his opportunity to address any violation of  
2 this article and otherwise demonstrate compliance with this  
3 article within ten (10) days from the date of notice.

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

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8 (a) Before any school is issued a license under this  
9 article, it shall submit to the state department of  
10 education a performance bond or other form of security  
11 prescribed by rule and regulation of the state department.  
12 The bond or other form of security shall be in an amount  
13 specified by department rule and regulation, except the  
14 bond for a post secondary education institution shall be  
15 not less than ~~fifty thousand dollars (\$50,000.00)~~ one  
16 hundred thousand dollars (\$100,000.00). The bonds or other  
17 form of security shall be approved by the attorney general  
18 and shall be renewed annually as long as the school retains  
19 its license to do business in Wyoming. The performance bond  
20 or other form of security is to assure protection of all  
21 persons enrolled in a course of study who may be aggrieved  
22 by any school doing business or operating in the state.  
23 The department of education is custodian of all bonds and  
24 other securities filed under this section and may render

1 administrative but not legal assistance to all aggrieved  
2 persons who may be entitled to relief under the bond.

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4 **21-2-407. Penalties; injunction.**

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6 Any person violating the provisions of this article is  
7 guilty of a misdemeanor punishable by a fine of not more  
8 than ~~one hundred dollars (\$100.00)~~ one thousand dollars  
9 (\$1,000.00), by imprisonment in the county jail not to  
10 exceed six (6) months, or both. Each solicitation of  
11 enrollment or each transaction of business without a  
12 license constitutes a separate offense. Any person  
13 violating the provisions of this article may also be  
14 enjoined from the continuation of the violation by  
15 proceedings brought by the attorney general, any district  
16 attorney, any school official or any aggrieved citizen,  
17 regardless of whether criminal proceedings have been  
18 instituted.

19

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

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(END)