

CHAPTER 84

PRIVATE SCHOOL LICENSING

Original Senate File No. 60

AN ACT relating to private school licensing; mandating licensing of private schools and agents as specified; requiring on-site inspection and visitation of post secondary education licensees by the state department of education; imposing license application requirements, reporting requirements and modifying license provisions for post secondary education institutions; modifying license fees as specified; providing for license suspension and revocation; prohibiting specified practices; modifying bonding provisions; granting rulemaking authority and imposing additional duties; and providing for an effective date.

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

**Section 1.** W.S. 21-2-401 through 21-2-403, 21-2-404 by creating a new subsection (c) and 21-2-405 are amended to read:

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

(a) ~~The state board of education may license through the state department of education~~ All trade, correspondence, technical, vocational, business or other private schools, ~~as defined by W.S. 21-4-101(a)(iii)~~, and all post secondary education institutions not accredited by a recognized and accepted accrediting agency as defined by rule and regulation of the state 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. The state board of education, through the state department of education, shall administer this article.

(b) The board shall establish minimum standards for all schools described in subsection (a) of this section and provide for ~~such the~~ investigation and evaluation of the schools as ~~it deems~~ necessary to administer this article. In addition, the board shall not less than once every three (3) years, inspect and visit the principal place of business of each licensed 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.

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

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(a) Schools specified under W.S. 21-2-401(a) excluding those schools exempt under W.S. 21-2-406, in addition to similar type schools outside the state of Wyoming which employ an agent for the purpose of soliciting resident students and post secondary education institutions subject to subsection (b) of this section, shall pay an annual license fee to the state department of education in an amount not to exceed two hundred dollars (\$200.00) which shall be paid into the general fund established by rule and regulation of the department 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 under this article.

(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 audited by a certified public accountant;

(ii) A description of instructional methods used by the institution including methods for assigning, monitoring and evaluating work, awarding credit and granting a degree;

(iii) The professional credentials for each instructor of the institution including an official copy of academic transcripts verifying academic status, verification of educational degrees attained, the name of the institution granting the degree and if the institution is accredited by a recognized and accepted accrediting agency as defined by department rule and regulation;

(iv) 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 written 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 collect a license fee of one thousand dollars (\$1,000.00) prior to license issuance.

(d) 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 failure of the licensee to report any change in information and other materials required under subsection (b) of this section or for any other violation of this article.

(e) All fees collected under this section shall be deposited into the general fund.

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

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

(b) The state board, through the state department of education, shall regulate the qualifications of ~~their~~ agents. ~~In addition, the state board may~~ licensed under this section and shall establish a license fee ~~not to exceed one hundred dollars (\$100.00). The license 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 unlawful; soliciting business in public schools; furnishing list of students; prohibited practices.**

(c) No post secondary education institution licensed under this article shall award a degree, earned or honorary, solely on the basis of payment of tuition or a fee, nor shall the licensed school award a degree solely on the basis of:

(i) Credit earned at another school;

(ii) Credit for life experience or other equivalency;

(iii) Testing out of required course work leading to a degree;

(iv) Research and writing; or

(v) Any combination of factors specified under paragraphs (c)(i) through (iv) of this section.

**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 ~~of not less than ten thousand dollars (\$10,000.00) but not more than~~ 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).~~ ~~The bonds or other form of security shall be approved by the attorney general. The bonds and shall be renewed annually as long as the school retains its license to do business in Wyoming. 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.~~

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(b) This section shall not apply to private elementary or secondary schools described under W.S. 21-2-401(a) and otherwise subject to this article.

**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.

Approved March 20, 1996.