

AN ACT concerning education.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Private Business and Vocational Schools Act is amended by changing Sections 6, 9, and 13 as follows:

(105 ILCS 425/6) (from Ch. 144, par. 141)

Sec. 6. Application for certificate - Contents. Every person, partnership or corporation doing business in Illinois desiring to obtain a certificate of approval shall make a signed and verified application to the Superintendent upon forms prepared and furnished by the Superintendent, which forms shall include the following information:

1. The legal title and name of the school, together with ownership and controlling officers, members, and managing employees.

2. The specific courses of instruction which will be offered, and the specific purposes of such instruction.

3. The place or places where such instruction will be given and a description of the physical and sanitary facilities thereof.

4. A written inspection report of approval by the State Fire Marshal or his designee for use of the premises as a school.

5. A specific listing of the equipment available for instruction in each course of instruction, with the maximum enrollment that such equipment will accommodate.

6. The names, addresses and current status of all schools of which each applicant has previously owned any interest, and a declaration as to whether any of these schools were ever denied accreditation or licensing, or, lost accreditation or licensing from any governmental body or accrediting agency.

7. The educational and teaching qualifications of instructors in each course and subject of instruction, and the teacher to student ratio established by rule by the superintendent pursuant to industry standards and after soliciting and receiving comments by the schools in each industry.

7.1. The qualifications of administrators.

8. The financial resources available to establish and maintain the school, documented by a current balance sheet and income statement prepared and certified by an accountant or any such similar evidence as required by the Superintendent.

9. A continuous surety company bond, written by a company authorized to do business in this State, for the protection of the contractual rights including faithful performance of all contracts and agreements for students, their parents, guardians, or sponsors in a sum of up to

\$100,000, except that when the unearned prepaid tuition for Illinois students in the possession of the school, as annually determined by the Superintendent, exceeds \$100,000 the bond shall be in an amount equal to the greatest amount of prepaid tuition in the school's possession. In lieu of a surety bond, an applicant may, with the advanced approval of the State Board of Education prior to January 1, 2007, deposit with the State Board of Education as security a certificate of deposit of any bank organized or transacting business in the United States in an amount equal to or greater than the amount of the required bond. The applicant must first satisfy the State Board of Education that the certificate of deposit is free and clear of all liens, pledges, security interests, and other encumbrances. The State Board of Education shall perfect a first priority security interest in the certificate of deposit to provide the protection required under this item 9. The certificate of deposit must be held and made payable in accordance with terms and provisions approved in advance by the State Board of Education and must be replaced by a bond meeting the requirements set forth in this item 9 within 180 days after the issuance of the certificate of approval to the applicant. Failure to replace the certificate of deposit with a continuous surety company bond shall result in revocation of the certificate of approval.

10. Annual reports reflecting teacher, equipment and curriculum evaluations.

11. Copies of enrollment agreements and retail installment contracts to be used in Illinois.

12. Methods used to collect tuition and procedures for collecting delinquent payments.

13. Copies of all brochures, films, promotional material and written scripts, and media advertising and promotional literature that may be used to induce students to enroll in courses of instruction.

14. Evidence of liability insurance, in such form and amount as the Board shall from time to time prescribe pursuant to rules and regulations promulgated hereunder, to protect its students and employees at its places of business and at all classroom extensions including any work experience locations.

15. Each application for a certificate of approval shall be signed and certified under oath by the school's chief managing employee and also by its individual owner or owners; provided, that if the applicant is a partnership or a corporation, then such application shall be signed and certified under oath by the school's chief managing employee and also by each member of the partnership or each officer of the corporation, as the case may be.

16. If the evaluation of a particular course or facility requires the services of an expert not employed by

the State Board of Education or if in the interest of expediting the approval, a school requests the State Board of Education to employ such an expert, the school shall reimburse the State Board of Education for the reasonable cost of such services.

From July 1, 2010 until June 30, 2012, application forms shall provide that private business and vocational schools that have obtained national accreditation from an accrediting agency designated by the U.S. Department of Education may submit evidence of current accreditation in lieu of responses to the application requests delineated in this Section. Applications submitted on evidence of national accreditation must be approved or denied within 30 days after receipt. If no action is taken within 30 days, the application shall be deemed approved and a certificate of approval must be issued.

(Source: P.A. 94-1060, eff. 7-31-06.)

(105 ILCS 425/9) (from Ch. 144, par. 144)

Sec. 9. Restriction of certificate to courses of instruction indicated in application - Supplementary applications.

Any certificate of approval issued shall restrict the school to the teaching of the courses of instruction indicated in the application for the approval year for which the certificate is issued. Prior to the offering of any additional or supplementary courses of instruction the school shall make

application on forms prepared and furnished by the Superintendent and secure approval from the Superintendent and pay the fee prescribed therefor.

From July 1, 2010 until June 30, 2012, supplementary application forms shall provide that private business and vocational schools that have obtained national accreditation for new courses or programs from an accrediting agency designated by the U.S. Department of Education may submit evidence of current accreditation in lieu of other application requests. Supplementary applications submitted on evidence of national accreditation must be approved or denied within 30 days after receipt. If no action is taken within 30 days, the application shall be deemed approved and a certificate of approval must be issued.

(Source: P.A. 83-1484.)

(105 ILCS 425/13) (from Ch. 144, par. 148)

Sec. 13. Annual renewal of certificates and permits. Each school and each sales representative that continues as such shall annually make application upon forms prepared and furnished by the Superintendent to renew its certificate of approval or his or her permit, as the case may be, and shall pay the required annual renewal fee. The Superintendent shall have the authority to designate renewal and expiration dates for all certificates of approval and sales representative's permits. Each such application shall be reviewed annually by

the Superintendent.

From July 1, 2010 until June 30, 2012, application forms shall provide that private business and vocational schools that have obtained national accreditation from an accrediting agency designated by the U.S. Department of Education may submit evidence of current accreditation in lieu of other application requests. Applications submitted on evidence of national accreditation must be approved or denied within 30 days after receipt. If no action is taken within 30 days, the application shall be deemed approved and a certificate of approval must be issued.

(Source: P.A. 85-1382.)

Section 99. Effective date. This Act takes effect July 1, 2010.