

1 AN ACT concerning education.

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

4 Section 5. The Private Business and Vocational Schools Act
5 is amended by changing Sections 6 and 11 as follows:

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

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

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

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

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

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

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

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

32 7. The educational and teaching qualifications of

1 instructors in each course and subject of instruction, and the
2 teacher to student ratio established by rule by the
3 superintendent pursuant to industry standards and after
4 soliciting and receiving comments by the schools in each
5 industry.†

6 7.1. The qualifications of administrators.†

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

11 9. A continuous surety company bond, written by a company
12 authorized to do business in this State, for the protection of
13 the contractual rights including faithful performance of all
14 contracts and agreements for students, their parents,
15 guardians, or sponsors in a sum of up to \$100,000, except that
16 when the unearned prepaid tuition for Illinois students in the
17 possession of the school, as annually determined by the
18 Superintendent, exceeds \$100,000 the bond shall be in an amount
19 equal to the greatest amount of prepaid tuition in the school's
20 possession. In lieu of a surety bond, an applicant may, with
21 the advanced approval of the State Board of Education, deposit
22 with the State Board of Education as security a certificate of
23 deposit of any bank organized or transacting business in the
24 United States in an amount equal to or greater than the amount
25 of the required bond. The certificate of deposit must be held
26 and made payable in accordance with terms and provisions
27 approved in advance by the State Board of Education and must be
28 replaced by a bond meeting the requirements set forth in this
29 item 9 within 180 days after the issuance of the certificate of
30 approval to the applicant.†

31 10. Annual reports reflecting teacher, equipment and
32 curriculum evaluations.†

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

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

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

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

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

18 16. If the evaluation of a particular course or facility
19 requires the services of an expert not employed by the State
20 Board of Education or if in the interest of expediting the
21 approval, a school requests the State Board of Education to
22 employ such an expert, the school shall reimburse the State
23 Board of Education for the reasonable cost of such services.

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

25 (105 ILCS 425/11) (from Ch. 144, par. 146)

26 Sec. 11. Sales representative permits - Application -
27 Contents - Fees - Separate permits.) Every sales representative
28 representing a school, whether located in the State of Illinois
29 or without, shall make application for a Sales Representative
30 Permit to the Superintendent in writing upon forms prepared and
31 furnished by the Superintendent. The sales representative
32 shall be approved by the Superintendent prior to solicitation
33 of students. Each application shall state the name of the
34 school which the applicant will represent, contain evidence of
35 the honesty, truthfulness, and integrity of the applicant and

1 shall be accompanied by the recommendation of two reputable
2 persons, neither of whom shall be in the employ of the school
3 or members of the applicant's immediate family, certifying that
4 the applicant is truthful, honest, and of good reputation, and
5 recommending that a permit as a sales representative be
6 granted. The fee for an original permit as a sales
7 representative shall be \$100. The annual renewal fee shall be
8 \$50. A separate permit shall be obtained for each school
9 represented by a sales representative.

10 In determining honesty, truthfulness and integrity under
11 this Section, the Superintendent may take into consideration
12 any felony conviction of the applicant, but such a conviction
13 shall not operate as a bar to approval unless a court or parole
14 authority has determined that the applicant is not
15 rehabilitated sufficiently to serve as a sales representative.

16 Each sales representative shall provide a continuous
17 surety company bond for the protection of the contractual
18 rights, including loss resulting from any fraud or
19 misrepresentation used by the sales representative, of
20 students, their parents, guardians or sponsors, in the penal
21 sum of \$2,000, except under exceptional circumstances up to
22 \$10,000, upon the order of the Superintendent. The surety
23 company bond shall be written by a company authorized to do
24 business in this State. In lieu of a surety bond, an applicant
25 may, with the advanced approval of the State Board of
26 Education, deposit with the State Board of Education as
27 security a certificate of deposit of any bank organized or
28 transacting business in the United States in an amount equal to
29 or greater than the amount of the required bond. The
30 certificate of deposit must be held and made payable in
31 accordance with terms and provisions approved in advance by the
32 State Board of Education and must be replaced by a bond meeting
33 the requirements set forth in this paragraph within 180 days
34 after the issuance of the Sales Representative Permit to the
35 applicant.

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

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.