

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, 9, and 13 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
14 with ownership and controlling officers, members, and
15 managing 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
19 given and a description of the physical and sanitary
20 facilities 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.

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

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

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

16 7.1. The qualifications of administrators.

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

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

1 \$100,000, except that when the unearned prepaid tuition for
2 Illinois students in the possession of the school, as
3 annually determined by the Superintendent, exceeds
4 \$100,000 the bond shall be in an amount equal to the
5 greatest amount of prepaid tuition in the school's
6 possession. In lieu of a surety bond, an applicant may,
7 with the advanced approval of the State Board of Education
8 prior to January 1, 2007, deposit with the State Board of
9 Education as security a certificate of deposit of any bank
10 organized or transacting business in the United States in
11 an amount equal to or greater than the amount of the
12 required bond. The applicant must first satisfy the State
13 Board of Education that the certificate of deposit is free
14 and clear of all liens, pledges, security interests, and
15 other encumbrances. The State Board of Education shall
16 perfect a first priority security interest in the
17 certificate of deposit to provide the protection required
18 under this item 9. The certificate of deposit must be held
19 and made payable in accordance with terms and provisions
20 approved in advance by the State Board of Education and
21 must be replaced by a bond meeting the requirements set
22 forth in this item 9 within 180 days after the issuance of
23 the certificate of approval to the applicant. Failure to
24 replace the certificate of deposit with a continuous surety
25 company bond shall result in revocation of the certificate
26 of approval.

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

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

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

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

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

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

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

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

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

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

17 (105 ILCS 425/9) (from Ch. 144, par. 144)

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

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

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

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

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

16 (105 ILCS 425/13) (from Ch. 144, par. 148)

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

1 the Superintendent.

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

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

13 Section 99. Effective date. This Act takes effect July 1,
14 2010.