

**As Introduced**

**129th General Assembly  
Regular Session  
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**H. B. No. 39**

**Representative Luckie**

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**A B I L L**

To amend section 3332.031 and to enact sections 1  
3332.062, 3332.063, 3332.19, and 3332.21 of the 2  
Revised Code to make changes to laws regarding 3  
proprietary schools. 4

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 3332.031 be amended and sections 5  
3332.062, 3332.063, 3332.19, and 3332.21 of the Revised Code be 6  
enacted to read as follows: 7

**Sec. 3332.031.** The state board of career colleges and schools 8  
shall: 9

(A) Adopt rules under Chapter 119. of the Revised Code 10  
necessary to carry out its duties and responsibilities under this 11  
chapter; 12

(B) Establish minimum standards for the registration and 13  
operation of private career schools including but not necessarily 14  
limited to standards to ensure school financial stability; 15

(C) Issue certificates of registration to private career 16  
schools pursuant to division (A) of section 3332.05 of the Revised 17  
Code; 18

(D) Suspend or revoke the certificate of registration of 19

schools pursuant to sections 3332.09 and 3332.091 of the Revised Code;	20 21
(E) Establish minimum standards for certificate, diploma, and degree programs offered by schools;	22 23
(F) Issue program authorization pursuant to divisions (B) and (C) of section 3332.05 of the Revised Code;	24 25
(G) Suspend or revoke program authorization for schools pursuant to sections 3332.09 and 3332.091 of the Revised Code;	26 27
(H) Establish minimum standards, including but not necessarily limited to a code of ethics, for agents employed by schools registered under this chapter to reasonably ensure that such agents provide adequate, ethical, and accurate information to prospective students <del>+</del> . <u>The code of ethics shall require all agents to have a thorough understanding of the school, its program offerings, facilities, and staff and instructor qualifications.</u>	28 29 30 31 32 33 34
(I) Grant permits to agents pursuant to sections 3332.10 and 3332.11 of the Revised Code;	35 36
(J) Suspend or revoke an agent's permit pursuant to section 3123.47 or 3332.12 of the Revised Code;	37 38
(K) Monitor recruitment and admissions practices of schools holding certificates of registration to ensure compliance with this chapter and the rules of the board;	39 40 41
(L)(1) Adopt rules requiring all schools to provide all applicant students, prior to their signing enrollment agreements, written information concerning the school's graduation and placement rates for each of the preceding three years and any other information the board deems pertinent <del>+</del> ;	42 43 44 45 46
(2) Adopt rules requiring all schools to provide any student or applicant student, prior to the signing of any financial aid, grant, or loan application, written information concerning the	47 48 49

obligations of a student obtaining such financial aid, grant, or 50  
loan-; 51

(3) Adopt rules requiring each school to provide all 52  
applicant students, prior to the signing of any enrollment 53  
agreements, written information listing all faculty and 54  
instructors who teach at the school and their credentials. The 55  
rules also shall require each school to post that same information 56  
on the school's internet web site. 57

(4) Adopt rules requiring each school to provide to all 58  
applicant students, prior to signing any enrollment agreements, a 59  
list of all programs the school offers, and the accreditation 60  
status of each program. The rules also shall require each school 61  
to include that same information in all of the school's 62  
recruitment literature and materials, in advertisements for the 63  
school, and on the school's internet web site. 64

(5) Adopt rules requiring each school to disclose to all 65  
applicant students prior to the signing of any enrollment 66  
agreements, and on the school's web site, whether the school has 67  
been found in violation or cited for an infraction of 68  
certification or accreditation requirements of the state board of 69  
career colleges and schools, the chancellor of the Ohio board of 70  
regents, or an accrediting agency; 71

(6) Adopt rules requiring each school to aid each student in 72  
taking any required professional certification or licensing 73  
examination related to the program in which the student is 74  
enrolled, so that the student is eligible to take the examination 75  
within six months after the student's graduation from the program, 76  
if the student wishes to do so. In aiding a student under this 77  
division, a school shall provide to each student dates of 78  
examinations, application materials, deadlines for application, 79  
and access to study materials. 80

(7) Adopt rules requiring each school to inform all applicant students, prior to the signing of any enrollment agreements, of programs for which, upon completion, a student will not be eligible to take the professional certification or licensing examination due to lack of accreditation for the program;

(8) Upon request, a school shall furnish the board with a copy of all information required by this division. The board shall monitor schools to ensure their compliance with this division.

(M) Adopt a rule requiring all schools to include, in the enrollment agreement, notice that any problems the student is having with the school, or complaints the student has about the school, may be directed to the board, which notice shall include the telephone number of the executive director of the board;

(N) Report annually to the governor and the general assembly on the activities of the board and private career schools, and make legislative recommendations when necessary to enable the board to better serve the student population and the schools registered under this chapter;

(O) Adopt a rule requiring a uniform tuition refund policy for all schools subject to this chapter. In adopting the rule, the board shall consider the tuition refund policies effectuated by state-supported colleges and universities. Each school subject to this chapter shall furnish to each prospective student, prior to the signing of an enrollment agreement, a copy of the tuition refund policy.

(P) Adopt a rule establishing minimum standards for all faculty and instructional staff in all instructional programs at a school. In the case of full-time faculty members employed for degree programs, such standards shall include all of the following:

(1) A prohibition against employing on or after July 1, 1993,

any new full-time faculty member to teach the general study 112  
portion of any degree program, unless the person holds a master's 113  
degree in the subject matter discipline or holds a master's degree 114  
in education with proficiency in the subject matter discipline 115  
demonstrated in accordance with the standards adopted by the 116  
board;i 117

(2) Except as provided under the standards adopted pursuant 118  
to division (P)(3) of this section, a prohibition against 119  
employing or reemploying on or after July 1, 1998, any full-time 120  
faculty member to teach the general study portion of any degree 121  
program, unless the person holds a master's degree in the subject 122  
matter discipline or holds a master's degree in education with 123  
proficiency in the subject matter discipline demonstrated in 124  
accordance with the standards adopted by the board;i 125

(3) Standards under which the board, upon written request 126  
submitted to the board prior to July 1, 1994, by any school, may 127  
exempt the school from the prohibition adopted pursuant to 128  
division (P)(2) of this section with regard to any individual 129  
full-time faculty member employed by the school who has 130  
demonstrated outstanding teaching performance in the general study 131  
portion of any degree program at the school for a period of at 132  
least six years prior to July 1, 1993;i 133

(4) Definitions of "full-time faculty member," "new faculty 134  
member," and any other term the board considers necessary to 135  
define. 136

(Q)(1) Adopt a rule prohibiting a school or branch campus 137  
thereof from claiming accreditation from an accrediting agency in 138  
any of its advertising, recruiting, or promotional materials 139  
unless the agency is recognized as an accrediting agency by the 140  
United States department of education;i 141

(2) Adopt a rule requiring each school to instruct its agents 142

that "approved" and "accredited" are not the same terms and are 143  
not to be used as such. The term "accredited" shall be used only 144  
in describing a school or program that has been accredited by an 145  
accrediting agency described in division (O)(1) of this section. 146

(3) Adopt a rule requiring each school to report to the board 147  
any problems with acquiring accreditation for the school or a 148  
program within the school, any review of the school's or a 149  
program's accreditation, or any loss of accreditation for the 150  
school or a program. 151

(R) Adopt rules to administer and enforce the provisions of 152  
section 3332.21 of the Revised Code. Enforcement of that section 153  
may include actions under section 3332.09 or 3332.091 of the 154  
Revised Code as the board determines appropriate. 155

Sec. 3332.062. No school that receives a certificate of 156  
registration or program authorization under this chapter shall pay 157  
any of its agents a commission or bonus based on the number of 158  
students the agent recruits to the school. 159

Sec. 3332.063. (A)(1) Each school that receives a certificate 160  
of registration or program authorization under this chapter shall 161  
request the superintendent of the bureau of criminal 162  
identification and investigation to conduct a criminal records 163  
check with respect to any student who has applied for enrollment 164  
in a program for a field or profession for which a criminal 165  
records check is a condition for licensure or certification to 166  
practice and shall review the report of that records check, in 167  
accordance with division (B) of this section, prior to admitting 168  
that student to the program. The school shall request that the 169  
superintendent include information from the federal bureau of 170  
investigation if that information is required in the criminal 171  
records check for licensure or certification. 172

(2) The school shall pay to the bureau of criminal identification and investigation the fee prescribed by the bureau for each criminal records check requested under this section. 173  
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(3) A school shall not charge an applicant student a fee for the costs incurred in obtaining a criminal records check under this section. 176  
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(B) Each school shall review the report of an applicant student's criminal records check conducted under this section to determine if the report indicates the student has been convicted of, has plead guilty to, or has been found guilty by a jury or court of any offense that would make that student ineligible for a professional license or certification in the program in which the student plans to enroll. If a school determines that an applicant student is ineligible for a professional license or certification due to a prior offense, the school shall explain that situation to the student and discuss the student's options for alternate programs. 179  
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(C) Information obtained by the school under this section is confidential and shall not be released or disseminated other than to the applicant student. 190  
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(D) Nothing in this section shall be construed as relieving a person who has been subject to a criminal records check under this section from a licensing agency's requirement for a new criminal records check upon application for a license or certification. Nothing in this section shall be construed as guaranteeing a person eligibility for a license or certification. 193  
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**Sec. 3332.19.** (A) Each school that receives a certificate of registration or program authorization under this chapter shall establish a committee to act as an advisory board to the school. 199  
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(B) The state board of career colleges and schools shall 202

<u>adopt rules concerning the appointment and terms of committee</u>	203
<u>members. Each committee shall include, but not be limited to, the</u>	204
<u>following members:</u>	205
<u>(1) A representative of the school;</u>	206
<u>(2) A student representative;</u>	207
<u>(3) A representative of the state board of career colleges</u>	208
<u>and schools;</u>	209
<u>(4) A representative of the chancellor of the Ohio board of</u>	210
<u>regents.</u>	211
<u>(C) The committee shall hear disputes and grievances between</u>	212
<u>students and the school and recommend solutions to the parties</u>	213
<u>involved. The committee shall report annually to the state board</u>	214
<u>of career colleges and schools the amount of money spent by the</u>	215
<u>committee to carry out its duties under this division.</u>	216
<u>(D) The committee shall compare the tuition and fees charged</u>	217
<u>by the school against the average salary a student in the field of</u>	218
<u>study would earn as a professional in that field. The committee</u>	219
<u>shall make recommendations, based on its findings, for a fair</u>	220
<u>market price for an education in a given field that is</u>	221
<u>proportionate to the average salary a student would earn in that</u>	222
<u>field.</u>	223
<u>(E) Each school shall pay any expenses the committee incurs</u>	224
<u>in carrying out its duties under this section.</u>	225
<u><b>Sec. 3332.21.</b> (A) If a school registered by the state board</u>	226
<u>of career colleges and schools loses its accreditation or if a</u>	227
<u>school loses accreditation of a specific program, subject to</u>	228
<u>divisions (B) and (C) of this section, the school shall provide</u>	229
<u>every student currently enrolled in the school or program, as</u>	230
<u>applicable, with a full refund of any tuition and fees paid by</u>	231
<u>that student.</u>	232

(B) For any part of tuition and fees paid to the school by a student through loans, the school shall work with lenders to repay that amount of the student's loans directly. The amount the school repays a lender on behalf of the student shall include any interest accrued on the portion of the loan attributed to paying the student's tuition and fees. The school is responsible for repaying only the amount of tuition and fees paid to the school, plus any interest accrued on that amount. The student remains responsible for the balance of the loan beyond the amount of tuition and fees paid to the school, and the accrued interest on that amount. 233  
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(C) For any part of tuition and fees paid to the school by or on behalf of a student with funds awarded under any of the following programs, the school shall refund those amounts to the treasurer of state to be credited to the appropriate fund: 244  
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(1) The Ohio college opportunity grant authorized under section 3333.122 of the Revised Code; 248  
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(2) The Ohio academic scholarship authorized under sections 3333.21 to 3333.23 of the Revised Code; 250  
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(3) The war orphans scholarship authorized under Chapter 5910. of the Revised Code; 252  
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(4) The Ohio national guard scholarship authorized under section 5919.34 of the Revised Code; 254  
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(5) Any other higher education grant or scholarship program authorized under the Revised Code. 256  
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The student's eligibility to receive funds under programs described in divisions (C)(1) to (5) of this section, with respect to amount of funding and time limitations, shall be reinstated to the student's status before receiving those grant or scholarship funds to pay for enrollment in the school or program. 258  
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The state board of career colleges and schools and the 263  
chancellor of the Ohio board of regents jointly shall adopt rules 264  
under Chapter 119. of the Revised Code establishing procedures for 265  
schools to refund grants and scholarships to the state and for the 266  
reinstatement of a student's eligibility status. 267

**Section 2.** That existing section 3332.031 of the Revised Code 268  
is hereby repealed. 269