

SB 5402 - H COMM AMD  
By Committee on Appropriations

ADOPTED 04/04/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 28C.10.020 and 1993 c 445 s 1 are each amended to  
4 read as follows:

5 Unless the context clearly requires otherwise, the definitions in  
6 this section apply throughout this chapter.

7 (1) "Agency" means the work force training and education  
8 coordinating board.

9 (2) "Agent" means a person owning an interest in, employed by, or  
10 representing for remuneration a private vocational school within or  
11 without this state, who enrolls or personally attempts to secure the  
12 enrollment in a private vocational school of a resident of this state,  
13 offers to award educational credentials for remuneration on behalf of  
14 a private vocational school, or holds himself or herself out to  
15 residents of this state as representing a private vocational school for  
16 any of these purposes.

17 (3) "Degree" means any designation, appellation, letters, or words  
18 including but not limited to "associate," "bachelor," "master,"  
19 "doctor," or "fellow" which signify or purport to signify satisfactory  
20 completion of an academic program of study beyond the secondary school  
21 level.

22 (4) "Education" includes but is not limited to, any class, course,  
23 or program of training, instruction, or study.

24 (5) "Educational credentials" means degrees, diplomas,  
25 certificates, transcripts, reports, or documents, (~~or letters of~~  
26 ~~designation, marks, appellations, series of letters, numbers, or words~~  
27 ~~which~~) that signify (~~or appear to signify enrollment, attendance,~~  
28 ~~progress, or~~) satisfactory completion of the requirements or  
29 prerequisites for any educational program.

1 (6) "Entity" includes, but is not limited to, a person, company,  
2 firm, society, association, partnership, corporation, or trust.

3 (7) "Private vocational school" means any location where an entity  
4 is offering postsecondary education in any form or manner for the  
5 purpose of instructing, training, or preparing persons for any vocation  
6 or profession.

7 (8) "Probation" means the agency has officially notified a private  
8 vocational school in writing that the school or a program offered by  
9 the school has been identified by the agency as at risk and has  
10 deficiencies that must be corrected within a specified time period.

11 (9) "Program" means a sequence of approved subjects offered by a  
12 school that teaches skills and fundamental knowledge required for  
13 employment in a particular occupation.

14 (10) "To grant" includes to award, issue, sell, confer, bestow, or  
15 give.

16 ((+9)) (11) "To offer" includes, in addition to its usual  
17 meanings, to advertise or publicize. "To offer" also means to solicit  
18 or encourage any person, directly or indirectly, to perform the act  
19 described.

20 ((+10)) (12) "To operate" means to establish, keep, or maintain  
21 any facility or location where, from, or through which education is  
22 offered or educational credentials are offered or granted to residents  
23 of this state, and includes contracting for the performance of any such  
24 act.

25 **Sec. 2.** RCW 28C.10.050 and 2005 c 274 s 247 are each amended to  
26 read as follows:

27 (1) The agency shall adopt by rule minimum standards for entities  
28 operating private vocational schools. The minimum standards shall  
29 include, but not be limited to, requirements ~~((for each))~~ to assess  
30 whether a private vocational school is eligible to obtain and maintain  
31 a license in this state.

32 (2) The requirements adopted by the agency shall, at a minimum,  
33 require a private vocational school to:

34 (a) Disclose to the agency information about its ownership and  
35 financial position and to demonstrate to the agency that the school is  
36 financially viable and responsible and that it has sufficient financial

1 resources to fulfill its commitments to students. Financial  
2 disclosures provided to the agency shall not be subject to public  
3 disclosure under chapter 42.56 RCW;

4 (b) Follow a uniform statewide cancellation and refund policy as  
5 specified by the agency;

6 (c) Disclose through use of a school catalog, brochure, or other  
7 written material, necessary information to students so that students  
8 may make informed enrollment decisions. The agency shall specify what  
9 information is required;

10 (d) Use an enrollment contract or agreement that includes: (i) The  
11 school's cancellation and refund policy, (ii) a brief statement that  
12 the school is licensed under this chapter and that inquiries may be  
13 made to the agency, and (iii) other necessary information as determined  
14 by the agency;

15 (e) Describe accurately and completely in writing to students  
16 before their enrollment prerequisites and requirements for (i)  
17 completing successfully the programs of study in which they are  
18 interested and (ii) qualifying for the fields of employment for which  
19 their education is designed;

20 (f) Comply with the requirements of RCW 28C.10.084;

21 (g) Assess the basic skills and relevant aptitudes of each  
22 potential student to determine that a potential student has the basic  
23 skills and relevant aptitudes necessary to complete and benefit from  
24 the program in which the student plans to enroll, including but not  
25 limited to administering a United States department of education-  
26 approved English as a second language exam before enrolling students  
27 for whom English is a second language unless the students provide proof  
28 of graduation from a United States high school or proof of completion  
29 of a GED in English or results of another academic assessment  
30 determined appropriate by the agency. Guidelines for such assessments  
31 shall be developed by the agency, in consultation with the schools(~~(-~~  
32 ~~The method of assessment shall be reported to the agency. Assessment~~  
33 ~~records shall be maintained in the student's file));~~

34 (h) Discuss with each potential student the potential student's  
35 obligations in signing any enrollment contract and/or incurring any  
36 debt for educational purposes. The discussion shall include the  
37 inadvisability of acquiring an excessive educational debt burden that

1 will be difficult to repay given employment opportunities and average  
2 starting salaries in the potential student's chosen occupation((~~-~~));  
3 ~~((2) Any enrollment contract shall have)~~ (i) Ensure that any  
4 enrollment contract between the private vocational school and its  
5 students has an attachment in a format provided by the agency. The  
6 attachment shall be signed by both the school and the student. The  
7 attachment shall stipulate that the school has complied with  
8 ~~((subsection (1))~~(h) of this ~~((section))~~ subsection and that the  
9 student understands and accepts his or her responsibilities in signing  
10 any enrollment contract or debt application. The attachment shall also  
11 stipulate that the enrollment contract shall not be binding for at  
12 least five days, excluding Sundays and holidays, following signature of  
13 the enrollment contract by both parties(~~-~~

14 ~~(3) The agency shall deny, revoke, or suspend the license of any~~  
15 ~~school that does not meet or maintain the minimum standards)); and~~

16 (j) Comply with the requirements related to qualifications of  
17 administrators and instructors.

18 (3) The agency may deny a private vocational school's application  
19 for licensure if the school fails to meet the requirements in this  
20 section.

21 (4) The agency may determine that a licensed private vocational  
22 school or a particular program of a private vocational school is at  
23 risk of closure or termination if:

24 (a) There is a pattern or history of substantiated student  
25 complaints filed with the agency pursuant to RCW 28C.10.120; or

26 (b) The private vocational school fails to meet minimum licensing  
27 requirements and has a pattern or history of failing to meet the  
28 minimum requirements.

29 (5) If the agency determines that a private vocational school or a  
30 particular program is at risk of closure or termination, the agency  
31 shall require the school to take corrective action.

32 **Sec. 3.** RCW 28C.10.120 and 1993 c 445 s 3 are each amended to read  
33 as follows:

34 (1) Complaints may be filed under this chapter only by a person  
35 claiming loss of tuition or fees as a result of an unfair business  
36 practice. The complaint shall set forth the alleged violation and

1 shall contain information required by the agency on forms provided for  
2 that purpose. A complaint may also be filed with the agency by an  
3 authorized staff member of the agency or by the attorney general.

4 (2) The agency shall investigate any complaint under this section  
5 and shall first attempt to bring about a negotiated settlement. The  
6 agency director or the director's designee may conduct an informal  
7 hearing with the affected parties in order to determine whether a  
8 violation has occurred.

9 (3) If the agency finds that the private vocational school or its  
10 agent engaged in or is engaging in any unfair business practice, the  
11 agency shall issue and cause to be served upon the violator an order  
12 requiring the violator to cease and desist from the act or practice and  
13 may impose the penalties provided under RCW 28C.10.130. If the agency  
14 finds that the complainant has suffered loss as a result of the act or  
15 practice, the agency may order the violator to pay full or partial  
16 restitution of any amounts lost. The loss may include any money paid  
17 for tuition, required or recommended course materials, and any  
18 reasonable living expenses incurred by the complainant during the time  
19 the complainant was enrolled at the school.

20 (4) The complainant is not bound by the agency's determination of  
21 restitution. The complainant may reject that determination and may  
22 pursue any other legal remedy.

23 (5) The violator may, within twenty days of being served any order  
24 described under subsection (3) of this section, file an appeal under  
25 the administrative procedure act, chapter 34.05 RCW. Timely filing  
26 stays the agency's order during the pendency of the appeal. If the  
27 agency prevails, the appellant shall pay the costs of the  
28 administrative hearing.

29 (6) If a private vocational school closes without providing  
30 adequate notice to its enrolled students, the agency shall provide  
31 transition assistance to the school's students including, but not  
32 limited to, information regarding: (a) Transfer options available to  
33 students; (b) financial aid discharge eligibility and procedures; (c)  
34 the labor market, job search strategies, and placement assistance  
35 services; and (d) other support services available to students."

36 Correct the title.

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