



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3308

Introduced 2/11/2020, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

105 ILCS 426/30
225 ILCS 412/175 new

Amends the Private Business and Vocational Schools Act of 2012. Provides that a school or program with an enrollment capacity of 5 students or less shall not be considered a private business and vocational school. Amends the Electrologist Licensing Act. Provides that no person, firm, or corporation may own, operate, or conduct a school of electrology for the purpose of teaching electrology for compensation unless licensed by the Department. Provides that an applicant shall apply to the Department of Financial and Professional Regulation on forms provided by the Department, pay the required fees, and comply with specific requirements. Provides that the applicant shall establish to the satisfaction of the Department that the owner possesses sufficient liquid assets to meet the prospective expenses of the school for a period of 3 months.

LRB101 17330 SPS 66735 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

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 of 2012 is amended by changing Section 30 as follows:

6 (105 ILCS 426/30)

7 Sec. 30. Exemptions. For purposes of this Act, the
8 following shall not be considered to be a private business and
9 vocational school:

10 (1) Any institution devoted entirely to the teaching of
11 religion or theology.

12 (2) Any in-service program of study and subject offered
13 by an employer, provided that no tuition is charged and the
14 instruction is offered only to employees of the employer.

15 (3) Any educational institution that (A) enrolls a
16 majority of its students in degree programs and has
17 maintained an accredited status with a regional
18 accrediting agency that is recognized by the U.S.
19 Department of Education or (B) enrolls students in one or
20 more bachelor-level programs, enrolls a majority of its
21 students in degree programs, and is accredited by a
22 national or regional accrediting agency that is recognized
23 by the U.S. Department of Education or that (i) is

1 regulated by the Board under the Private College Act or the
2 Academic Degree Act or is exempt from such regulation under
3 either the Private College Act or the Academic Degree Act
4 solely for the reason that the educational institution was
5 in operation on the effective date of either the Private
6 College Act or the Academic Degree Act or (ii) is regulated
7 by the State Board of Education.

8 (4) Any institution and the franchisees of that
9 institution that exclusively offer a program of study in
10 income tax theory or return preparation at a total contract
11 price of no more than \$400, provided that the total annual
12 enrollment of the institution for all such courses of
13 instruction exceeds 500 students and further provided that
14 the total contract price for all instruction offered to a
15 student in any one calendar year does not exceed \$3,000.

16 (5) Any person or organization selling mediated
17 instruction products through a media, such as tapes,
18 compact discs, digital video discs, or similar media, so
19 long as the instruction is not intended to result in the
20 acquisition of training for a specific employment field, is
21 not intended to meet a qualification for licensure or
22 certification in an employment field, or is not intended to
23 provide credit that can be applied toward a certificate or
24 degree program.

25 (6) Schools with no physical presence in this State.
26 Schools offering instruction or programs of study, but that

1 have no physical presence in this State, are not required
2 to receive Board approval. Such an institution must not be
3 considered not to have a physical presence in this State
4 unless it has received a written finding from the Board
5 that it has a limited physical presence. In determining
6 whether an institution has no physical presence, the Board
7 shall require all of the following:

8 (A) Evidence of authorization to operate in at
9 least one other state and that the school is in good
10 standing with that state's authorizing agency.

11 (B) Evidence that the school has a means of
12 receiving and addressing student complaints in
13 compliance with any federal or state requirements.

14 (C) Evidence that the institution is providing no
15 instruction in this State.

16 (D) Evidence that the institution is not providing
17 core academic support services, including, but not
18 limited to, admissions, evaluation, assessment,
19 registration, financial aid, academic scheduling, and
20 faculty hiring and support in this State.

21 (7) A school or program within a school that
22 exclusively provides yoga instruction, yoga teacher
23 training, or both.

24 (8) A school or program with an enrollment capacity of
25 5 students or less.

26 (Source: P.A. 99-705, eff. 1-1-17.)

1 Section 10. The Electrologist Licensing Act is amended by
2 adding Section 175 as follows:

3 (225 ILCS 412/175 new)

4 Sec. 175. Requirements for ownership or operation of
5 school. No person, firm, or corporation may own, operate, or
6 conduct a school of electrology for the purpose of teaching
7 electrology for compensation unless licensed by the
8 Department. A licensed school is a postsecondary educational
9 institution authorized by the Department to provide a
10 postsecondary education program in compliance with the
11 requirements of this Act. An applicant shall apply to the
12 Department on forms provided by the Department, pay the
13 required fees, and comply with the following requirements:

14 (1) The applicant must submit to the Department for
15 approval:

16 (A) a floor plan, drawn to a scale specified on the
17 floor plan, showing every detail of the proposed
18 school; and

19 (B) a lease commitment or proof of ownership for
20 the location of the proposed school; a lease commitment
21 must provide for execution of the lease upon the
22 Department's approval of the school's application and
23 the lease must be for a period of at least one year.

24 (2) An application to own or operate a school shall

1 include the following:

2 (A) if the owner is a corporation, a copy of the
3 articles of incorporation or, if the owner is a limited
4 liability company, a copy of the articles of
5 organization;

6 (B) if the owner is a partnership, a listing of all
7 partners and their current addresses;

8 (C) if the applicant is an owner, a completed
9 financial statement showing the owner's ability to
10 operate the school for at least 3 months;

11 (D) a copy of the official enrollment agreement or
12 student contract to be used by the school, which shall
13 be consistent with the requirements of this Act and
14 rules;

15 (E) a listing of all teachers who will be in the
16 school's employ, including their teacher license
17 numbers;

18 (F) a copy of the curricula that will be followed;

19 (G) the names, addresses, and current status of all
20 schools in which the applicant has previously owned any
21 interest and a declaration as to whether any of these
22 schools were ever denied accreditation or licensing or
23 lost accreditation or licensing from any governmental
24 body or accrediting agency;

25 (H) each application for a certificate of approval
26 shall be signed and certified under oath by the

1 school's chief managing employee and also by its
2 individual owner or owners; if the applicant is a
3 partnership or a corporation, then the application
4 shall be signed and certified under oath by the
5 school's chief managing employee and also by each
6 member of the partnership or each officer of the
7 corporation, as the case may be;

8 (I) a copy of the school's official transcript; and

9 (J) the required fee.

10 (3) Each application for a license to operate a school
11 shall also contain the following commitments:

12 (A) to conduct the school in accordance with this
13 Act and the standards and rules from time to time
14 adopted under this Act;

15 (B) to permit the Department to inspect the school
16 or classes thereof from time to time with or without
17 notice and to make available to the Department, at any
18 time when required to do so, information including
19 financial information pertaining to the activities of
20 the school required for the administration of this Act
21 and the standards and rules adopted under this Act;

22 (C) to utilize only advertising and solicitation
23 that is free from misrepresentation, deception, fraud,
24 or other misleading or unfair trade practices;

25 (D) to screen applicants to the school prior to
26 enrollment pursuant to the requirements of the

1 school's regional or national accrediting agency, if
2 any, and to maintain any and all records of such
3 screening; if the course of instruction is offered in a
4 language other than English, the screening shall also
5 be performed in that language; and

6 (E) to post in a conspicuous place a statement,
7 developed by the Department, of student's rights
8 provided under this Act.

9 (4) The applicant shall establish to the satisfaction
10 of the Department that the owner possesses sufficient
11 liquid assets to meet the prospective expenses of the
12 school for a period of 3 months. In the discretion of the
13 Department, additional proof of financial ability may be
14 required.

15 (5) The applicant shall comply with all rules of the
16 Department determining the necessary curriculum and
17 equipment required for the conduct of the school.

18 (6) The applicant must demonstrate employment of a
19 sufficient number of qualified teachers who are holders of
20 a valid electrology license issued by the Department.

21 (7) A final inspection of the electrology school shall
22 be made by the Department before the school may commence
23 classes.

24 (8) A written inspection report must be made by the
25 State Fire Marshal or a local fire authority approving the
26 use of the proposed premises as an electrology school.