



Sen. Don Harmon

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09400SB0861sam001

LRB094 04498 NHT 57743 a

1 AMENDMENT TO SENATE BILL 861

2 AMENDMENT NO. _____. Amend Senate Bill 861 by replacing
3 everything after the enacting clause with the following:

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

1 instruction in each course of instruction, with the maximum
2 enrollment that such equipment will accommodate.†

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

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

14 7.1. The qualifications of administrators.†

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

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

1 approved in advance by the State Board of Education and must be
2 replaced by a bond meeting the requirements set forth in this
3 item 9 within 180 days after the issuance of the certificate of
4 approval to the applicant.†

5 10. Annual reports reflecting teacher, equipment and
6 curriculum evaluations.†

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

9 12. Methods used to collect tuition and procedures for
10 collecting delinquent payments.†

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

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

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

28 16. If the evaluation of a particular course or facility
29 requires the services of an expert not employed by the State
30 Board of Education or if in the interest of expediting the
31 approval, a school requests the State Board of Education to
32 employ such an expert, the school shall reimburse the State
33 Board of Education for the reasonable cost of such services.

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

1 (105 ILCS 425/11) (from Ch. 144, par. 146)

2 Sec. 11. Sales representative permits - Application -
3 Contents - Fees - Separate permits.) Every sales representative
4 representing a school, whether located in the State of Illinois
5 or without, shall make application for a Sales Representative
6 Permit to the Superintendent in writing upon forms prepared and
7 furnished by the Superintendent. The sales representative
8 shall be approved by the Superintendent prior to solicitation
9 of students. Each application shall state the name of the
10 school which the applicant will represent, contain evidence of
11 the honesty, truthfulness, and integrity of the applicant and
12 shall be accompanied by the recommendation of two reputable
13 persons, neither of whom shall be in the employ of the school
14 or members of the applicant's immediate family, certifying that
15 the applicant is truthful, honest, and of good reputation, and
16 recommending that a permit as a sales representative be
17 granted. The fee for an original permit as a sales
18 representative shall be \$100. The annual renewal fee shall be
19 \$50. A separate permit shall be obtained for each school
20 represented by a sales representative.

21 In determining honesty, truthfulness and integrity under
22 this Section, the Superintendent may take into consideration
23 any felony conviction of the applicant, but such a conviction
24 shall not operate as a bar to approval unless a court or parole
25 authority has determined that the applicant is not
26 rehabilitated sufficiently to serve as a sales representative.

27 Each sales representative shall provide a continuous
28 surety company bond for the protection of the contractual
29 rights, including loss resulting from any fraud or
30 misrepresentation used by the sales representative, of
31 students, their parents, guardians or sponsors, in the penal
32 sum of \$2,000, except under exceptional circumstances up to
33 \$10,000, upon the order of the Superintendent. The surety

1 company bond shall be written by a company authorized to do
2 business in this State. In lieu of a surety bond, an applicant
3 may, with the advanced approval of the State Board of
4 Education, deposit with the State Board of Education as
5 security a certificate of deposit of any bank organized or
6 transacting business in the United States in an amount equal to
7 or greater than the amount of the required bond. The
8 certificate of deposit must be held and made payable in
9 accordance with terms and provisions approved in advance by the
10 State Board of Education and must be replaced by a bond meeting
11 the requirements set forth in this paragraph within 180 days
12 after the issuance of the Sales Representative Permit to the
13 applicant.

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

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.".