



General Assembly

January Session, 2021

Raised Bill No. 998

LCO No. 4293



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT CONCERNING COMPILED FINANCIAL STATEMENTS FOR
CERTAIN PRIVATE OCCUPATIONAL SCHOOLS.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Subsection (c) of section 10a-22b of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*
3 *2021*):

4 (c) Each person, board, association, partnership, corporation, limited
5 liability company or other entity which seeks to offer occupational
6 instruction shall submit to the executive director, or the executive
7 director's designee, in such manner as the executive director, or the
8 executive director's designee, prescribes, an application for a certificate
9 of authorization which includes, but need not be limited to, (1) the
10 proposed name of the school; (2) ownership and organization of the
11 school including the names and addresses of all principals, officers,
12 members and directors; (3) names and addresses of all stockholders of
13 the school, except for applicants which are listed on a national securities
14 exchange; (4) addresses of any building or premises on which the school

15 will be located; (5) description of the occupational instruction to be
16 offered; (6) the proposed student enrollment agreement, which includes
17 for each program of occupational instruction offered a description, in
18 plain language, of any requirements for employment in such occupation
19 or barriers to such employment pursuant to state law or regulations; (7)
20 the proposed school catalog, which includes for each program of
21 occupational instruction offered a description of any requirements for
22 employment in such occupation or barriers to such employment
23 pursuant to state law or regulations; (8) financial statements detailing
24 the financial condition of the school pursuant to subsection (d) of this
25 section and subsection (g) of section 10a-22d, as amended by this act,
26 prepared by management and reviewed or audited, or, for a
27 nonaccredited school annually [enrolling fewer than ten students]
28 receiving less than fifty thousand dollars in tuition revenue, compiled,
29 by an independent licensed certified public accountant or independent
30 licensed public accountant; and (9) an agent for service of process. Each
31 application for initial authorization shall be accompanied by a
32 nonrefundable application fee made payable to the private occupational
33 school student protection account in the amount of two thousand
34 dollars for the private occupational school and two hundred dollars for
35 each branch of a private occupational school in this state. Any
36 application for initial authorization that remains incomplete six months
37 after the date such application was first submitted to the Office of
38 Higher Education shall expire and the office shall not approve such
39 expired application for authorization.

40 Sec. 2. Subsection (g) of section 10a-22d of the general statutes is
41 repealed and the following is substituted in lieu thereof (*Effective July 1,*
42 *2021*):

43 (g) Each private occupational school shall keep financial records in
44 conformity with generally accepted accounting principles. An annual
45 financial statement detailing the financial status of the school shall be
46 prepared by school management and reviewed or audited, or, for a
47 nonaccredited school annually [enrolling fewer than ten students]
48 receiving less than fifty thousand dollars in tuition revenue, compiled,

49 by a licensed certified public accountant or licensed public accountant
50 in accordance with standards established by the American Institute of
51 Certified Public Accountants. A copy of such financial statement shall
52 be filed with the executive director on or before the last day of the fourth
53 month following the end of the school's fiscal year, except in the case of
54 a nationally accredited school recognized by the United States
55 Department of Education, in which case such financial statement shall
56 be due on or before the last day of the sixth month following the end of
57 the school's fiscal year. Only audited financial statements shall be
58 accepted from a nationally accredited school. Upon a nonaccredited
59 school's written request, the executive director may authorize, for good
60 cause shown, a filing extension for a period not to exceed sixty days. No
61 filing extensions shall be granted to a nationally accredited school.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	10a-22b(c)
Sec. 2	<i>July 1, 2021</i>	10a-22d(g)

Statement of Purpose:

To change the eligibility of private occupational schools that can file a compiled financial statement from schools that enroll less than ten students to schools that receive less than fifty thousand dollars in tuition revenue.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]