

AMENDMENTS TO SENATE BILL NO. 456

Sponsor: SENATOR BARTOLOTTA

Printer's No. 451

1 Amend Bill, page 1, lines 5 and 6, by striking out "and for
2 license" in line 5 and all of line 6 and inserting
3 , for State Board of Private Licensed Schools, for powers and
4 duties of board, for application for license, for license
5 fees and for requirements for licensure and operation;
6 providing for multibranch training schools and for
7 institutional grants authority; further providing for
8 promulgation of rules; and repealing provisions relating to
9 existing licenses to remain in force and transfer of
10 personnel, etc.

11 Amend Bill, page 1, lines 9 through 20; page 2, lines 1
12 through 23; by striking out all of said lines on said pages and
13 inserting

14 Section 1. The definitions of "adequate correction service,"
15 "multibranch training school" and "private licensed school" in
16 section 2 of the act of December 15, 1986 (P.L.1585, No.174),
17 known as the Private Licensed Schools Act, are amended and the
18 section is amended by adding definitions to read:

19 Section 2. Definitions.

20 The following words and phrases when used in this act shall
21 have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 ["Adequate correction service." The proper receipt and
24 prompt correction of all home-study tests and materials, with
25 appropriate written comments and suggestions for correction of
26 errors and apparent weaknesses, and the prompt return of the
27 corrected materials to students concerned.]

28 * * *

29 "Branch facility." A facility of a private licensed school
30 when all of the following occur:

31 (1) The facility has the same ownership, management or
32 control as that of the private licensed school.

33 (2) The curriculum offered at the facility is
34 substantially the same as the curriculum offered at the
35 private licensed school.

1 (3) The number of tuition-paid students enrolled at each
2 facility does not exceed 50 per class.

3 (4) The facility is administratively an integral part of
4 the private licensed school.

5 * * *

6 "Distance education." Instruction offered by any means where
7 the student and faculty member are in separate physical
8 locations so that in-person communication is absent and
9 communication is accomplished instead by one or more
10 technological media. The term includes, but is not limited to,
11 real-time or delayed interaction using voice, video, data or
12 text, including instruction provided online, via correspondence
13 or via interactive video. Instruction provided via synchronous
14 video from an institution in this Commonwealth to additional
15 campus sites of the same institution in this Commonwealth is not
16 considered distance education. The term does not include
17 independent study or instruction which is not instructor led.

18 * * *

19 "Multibranch training school." A [business corporation]
20 school licensed to do business in Pennsylvania having [more
21 than] at least one branch facility at which instruction is
22 offered to the general public for a fee. [A branch facility
23 shall mean a facility of a licensed school when all of the
24 following occur:

25 (1) The facility has the same ownership, management or
26 control as that of the licensed school.

27 (2) The curriculum offered at such facility is
28 substantially the same as the curriculum offered at the
29 licensed school.

30 (3) The number of tuition-paid students enrolled at each
31 such facility does not exceed 50 per class.

32 (4) The facility is located within the same county and
33 is administratively an integral part of the licensed school.
34 No additional license fees or bond shall be required of any
35 such facility, provided that the physical plant of each such
36 facility is approved by the board.]

37 "Private licensed school." A school or classes operated for
38 profit or tuition that provides resident instruction to prepare
39 an individual to pursue an occupation in the skilled trades,
40 industry or business, or systematic instruction by
41 [correspondence or by telecommunication] distance education in a
42 field of study. It shall not include a private academic school
43 as defined in [the act of June 25, 1947 (P.L.951, No.401),
44 entitled, as amended, "An act defining and providing for the
45 licensing and regulation of private academic schools; conferring
46 powers and imposing duties on the State Board of Private
47 Academic Schools; and imposing penalties"] section 2 of the act
48 of January 28, 1988 (P.L.24, No.11), known as the Private
49 Academic Schools Act; a school maintained or a class conducted
50 for training for the vocation of homemaking or to give training
51 in public and other service occupations; a barber school; a

1 school of cosmetology; a flight school; a private tutorial
2 school, including, but not limited to, a school of music or
3 dance; an institution granting a degree other than those
4 approved to award the degree of associate in specialized
5 business or associate in specialized technology; a school or
6 class conducted by an employer or trade union for employees or
7 union members where no fee or tuition is charged; a school owned
8 and operated by a bona fide religious institution whose only
9 purpose is the providing of religious instruction; a school
10 conducted by the Commonwealth or a political subdivision
11 thereof; or a school which is operated by a hospital licensed
12 under the act of July 19, 1979 (P.L.130, No.48), known as the
13 Health Care Facilities Act, and which is accredited by a
14 regional or national accreditation agency.

15 * * *

16 "Teach-out." The continuation of instruction to students to
17 complete the program or course in which the students are
18 enrolled when the school's license has expired, been revoked or
19 a school has ceased enrollment.

20 Section 2. Section 3(a) of the act is amended to read:

21 Section 3. The State Board of Private Licensed Schools.

22 (a) Establishment of the board.--There is hereby created
23 within the department a departmental administrative board to be
24 known as the State Board of Private Licensed Schools. The board
25 shall consist of 15 members, 14 of whom shall be appointed by
26 the secretary. Three members shall represent private licensed
27 schools providing instruction in business and commercial
28 pursuits, three members shall represent private licensed schools
29 providing instruction in trades or technologies, three members
30 shall represent private licensed schools providing
31 [correspondence] distance education or home-study instruction
32 and five members shall be representative of the general public
33 having no current affiliation with private licensed schools. The
34 Director of the Bureau of Consumer Protection in the Office of
35 Attorney General, or a designee, shall serve ex officio and
36 shall have voting rights. [Of the initial appointments, seven
37 members, two from the business, one each from trade and
38 correspondence school sectors and three from the public sector,
39 shall be appointed for terms of two years. Seven members, one
40 from the business, two each from trade and correspondence school
41 sectors and two from the public sectors, shall be appointed for
42 terms of four years.] After the initial appointments, all terms
43 shall be for four years or until a successor has been appointed,
44 but in no event shall a member hold office for longer than six
45 months beyond expiration of the term. No board member shall
46 serve more than two consecutive four-year terms. An appointment
47 to fill a vacancy shall be for the unexpired term.

48 * * *

49 Section 3. Section 4(b) and (d) of the act are amended and
50 the section is amended by adding a subsection to read:

51 Section 4. Powers and duties of board.

1 * * *

2 [(b) Disposition of student records.--The board shall
3 require every applicant for initial or renewal licensure to
4 provide a written statement describing arrangements for
5 disposition of student records in the event of closure. It shall
6 be the duty of the board and the department to assist in the
7 execution of the arrangements when necessary. Priority shall be
8 given to plans for retention of the records with existing
9 private licensed schools in the same geographical area.]

10 (b.1) Repository of student records.--The following apply:

11 (1) The board may enter into an agreement with a third
12 party to establish a centralized repository of student
13 records for all private licensed schools. If the board enters
14 into an agreement with a third party under this paragraph, a
15 private licensed school shall work in collaboration with the
16 board and the third party to provide the private licensed
17 school's student records for the centralized repository,
18 including student records that may have been previously
19 disclosed to the board, the third party or another private
20 licensed school. The board may establish an annual timeline
21 for the private licensed school to provide student records
22 for the centralized repository.

23 (2) The board or third party authorized by the board may
24 use current information technology systems and other means to
25 provide the necessary security and privacy for the
26 centralized repository of student records.

27 (3) The board or a third party authorized by the board
28 may impose reasonable fees to establish and maintain the
29 centralized repository of student records. The board may
30 overturn a fee imposed by a third party under this paragraph
31 by a majority vote if the board deems the fee to be
32 unreasonable.

33 (4) A third party centralized repository shall be
34 required to submit to the board a plan of succession to
35 protect and provide service for student records in the event
36 the centralized repository ceases operation.

37 (5) The third party centralized repository shall
38 maintain the records for 50 years from the date of graduation
39 or withdrawal in accordance with the Family Educational
40 Rights and Privacy Act of 1974 (Public Law 90-247, 20 U.S.C.
41 § 1232g).

42 (6) A records repository agreement submitted with an
43 application for licensure or renewal shall remain in effect
44 until the private licensed school fully participates in the
45 centralized repository.

46 (7) Subsection (b) shall apply until the board has:

47 (i) entered into a third-party agreement as
48 prescribed in paragraph (1);

49 (ii) the repository is functioning; and

50 (iii) submitted to the Legislative Reference Bureau
51 for publication as a notice in the Pennsylvania Bulletin

1 the date the centralized repository is accepting student
2 records.

3 * * *

4 (d) Statistical report.--The board shall submit annually to
5 the Education Committees of the Senate and House of
6 Representatives a report containing statistical data on tuition
7 rates, job placement of graduates[,] and percentage of students
8 completing programs of study [and the level of State support for
9 students]. Private licensed or registered schools shall submit
10 this information to the department by September 30 of each year
11 for the preceding academic year ending June 30.

12 * * *

13 Section 4. Sections 7(a)(3) and (4) and 10(b) of the act are
14 amended to read:

15 Section 7. Application for license.

16 (a) General rule.--Before any license is issued to a private
17 school, a verified application shall be made, in writing, to the
18 board on a form prepared and furnished by the department. The
19 application shall require a statement showing:

20 * * *

21 (3) The place or places where instruction will be given
22 or [correction services provided by correspondence schools]
23 the location from which instruction by distance education
24 will originate.

25 (4) A specific listing of the equipment and staff
26 available for instruction in each program, and for the proper
27 administration of [correspondence courses of study and for
28 maintenance of an adequate correction service] distance
29 education courses.

30 * * *

31 Section 10. License fees.

32 * * *

33 (b) Multibranch training school and branch facility fee.--A
34 multibranch training school and a branch facility shall pay the
35 same fees set forth in subsection (a)[, except that such school
36 shall be required to pay only one fee for any and all branch
37 training schools located in one county]. No additional license
38 fees or bond, excluding surety bond and board-approved private
39 surety fund, shall be required of a multibranch training school
40 and branch facility.

41 * * *

42 Section 5. Section 12 of the act is amended by adding a
43 subsection to read:

44 Section 12. Requirements for licensure and operation.

45 * * *

46 (f) School closure.--A school shall notify the board at
47 least 30 calendar days in advance of a school closure. A license
48 or registration shall automatically terminate when the school
49 closes. If a school is planning to close or if the school faces
50 a situation that could result in closure, the school must
51 provide the board with a teach-out plan, a list of all current

1 students with contact information and copies of current student
2 transcripts for students who are currently enrolled. A school
3 that is closing is responsible for ensuring completion by all
4 current students or placement of all current students in an
5 appropriate teach-out or transfer program, ensuring that all
6 student academic records are securely placed in the repository
7 of student records provided for in section 4(b.1) or with
8 another approved repository within one week of the date of
9 closure and providing contact information for a responsible
10 school official for up to one year following the date of
11 closure.

12 Section 6. The act is amended by adding sections to read:

13 Amend Bill, page 3, line 6, by striking out all of said line
14 and inserting

15 Section 13.2. Institutional grants authority.

16 A licensed school under this act may offer institutional
17 grants to students of any amount without board approval.

18 Section 7. Section 14 of the act is amended to read:
19 Section 14. Promulgation of rules.

20 The board shall promulgate rules and regulations necessary to
21 carry out the purposes of this act. [The rules and regulations
22 of the State Board of Private Business Schools, the State Board
23 of Private Correspondence Schools and the State Board of Private
24 Trade Schools in force on the effective date of this act, and
25 not countermanded by this act, shall remain in effect until
26 repealed or amended by the board, but not for a period of more
27 than one year.]

28 Section 8. Sections 16 and 17 of the act are repealed:
29 [Section 16. Existing licenses to remain in force.

30 Licenses issued by the State Board of Private Business
31 Schools, the State Board of Private Trade Schools and the State
32 Board of Private Correspondence Schools shall remain in force
33 for the period of the license. At the time of renewal of the
34 license, the State Board of Private Licensed Schools may
35 establish a staggered schedule for renewal.

36 Section 17. Transfer of personnel, etc.

37 Personnel, allocations, appropriations, equipment, files,
38 records, contracts, agreements, obligations and other materials
39 which are used, employed or expended by the boards hereby
40 abolished in connection with the powers, duties or functions
41 exercised under this act by the State Board of Private Licensed
42 Schools are hereby transferred to the State Board of Private
43 Licensed Schools with the same force and effect as if the
44 appropriations had been made to, as if said items had been the
45 property of and as if the contracts, agreements and obligations
46 had been incurred or entered into by said State Board of Private
47 Licensed Schools.]

48 Section 9. This act shall take effect as follows:

49 (1) The repeal of section 4(b) of the act shall take

1 effect on the date specified in the notice published under
2 section 4(b.1)(7)(iii) of the act.
3 (2) The remainder of this act shall take effect in 60
4 days.