### WEST VIRGINIA LEGISLATURE

**REGULAR SESSION, 1971** 

# ENROLLED

### SENATE BILL NO.\_104\_\_\_\_

(By Mr ME KOWN NO M. HUBBARD )

PASSED FEBRUARY 24 1971

In Effect Farm Passage

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FILED IN THE OFFICE IONN D. ROCKEFELLER, IV SEGRETARY OF STATE THIS DATE <u>3-4-74</u>.

### ENROLLED Senate Bill No. 104

(By MR. McKown and MR. HUBBARD)

[Passed February 24, 1971; in effect from passage.]

AN ACT to amend and reenact section ten, article two, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to correspondence, business, occupational and trade schools inside and outside this state; requiring permits in connection therewith; providing certain exemptions from the permit requirements; providing that the West Virginia board of education may refuse the granting of such exemptions; providing for annual reports to the West Virginia board of education by correspondence, business, occupational and trade schools located in this state; providing for the issuance of permits upon the furnishing of a surety bond; providing for the revocation of a permit for the failure of a school to fulfill its contract with one or more students, or for violation or failure to comply with any provisions of law or with any regulations of the West Virginia board of education; providing that a permit is not approval or accreditation of course or school; prohibiting actions by any such school to recover for services where there was no valid permit; authorizing enforcement by attorney general or prosecuting attorney; and providing penalties.

Be it enacted by the Legislature of West Virginia:

That section ten, article two, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

#### ARTICLE 2. STATE BOARD OF EDUCATION.

- §18-2-10. Permits required for certain correspondence, business, occupational and trade schools; reports, issuance, renewal and revocation of permits; penalty and enforcement.
  - Except for persons representing correspondence, occu pational and trade schools that are members of nationally

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recognized accrediting associations approved by the West 3 Virginia board of education, and for persons representing 4 5 business schools that are members of the West Virginia association of business schools and are also members of 6 7 the national association and council of business schools. 8 it shall be unlawful for any person representing a corre-9 spondence, business, occupational or trade school inside or outside this state to solicit, sell or offer to sell courses 10 11 of instruction to any resident of this state for considera-12 tion or remuneration unless he first obtains a permit from 13 the West Virginia board of education in the manner and 14 on the terms herein prescribed.

15 All schools whose representatives are exempted from 16 the requirement of a permit under this section shall, be-17 fore recruiting any students in West Virginia, secure 18 authorization from the state board of education. The board may refuse authorization to any such school, regardless of 19 20 that school's membership in any accrediting association, if 21the board has reason to believe that the school engages in 22 practices which are inconsistent with this section or with 23 rules and regulations issued pursuant thereto.

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All correspondence, business, occupational and trade schools located in this state, including those schools whose representatives are not required to secure permits under this section, shall make annual reports to the state board of education, on forms furnished by the board, providing such appropriate information as the board reasonably may require.

31 The application for a permit shall be made on forms to be furnished by the board. The application shall be 32 33 accompanied by a fee of five dollars and by a surety bond 34in the penal sum of one thousand dollars. Such bond may be continuous and shall be conditioned to provide in-35 36 demnification to any student suffering loss as a result of any fraud or misrepresentation used in procuring his 37 38 enrollment. The bond may be given by the representative 39 of a school or by the school itself as a blanket bond 40 covering all of its representatives in the amount of one 41 thousand dollars each. The surety on any such bond may cancel the same upon giving thirty days' notice in writing 42 43 to the principal on said bond and to the state board of 44 education and thereafter shall be relieved of liability for

45 any breach of condition occuring after the effective date46 of said cancellation.

47 A permit shall be valid for one year from the date on 48 which it is issued, and, upon application, accompanied by 49 a fee of five dollars and the surety bond as herein re-50 quired, may be renewed if a continuous bond has not 51 been furnished.

52 All fees collected for the issuance or renewal of such 53 permits shall be deposited in the state treasury to the 54 credit of the general school fund.

The state board of education may issue a permit to any school representative who shall furnish the surety bond required herein and who shall furnish proof satisfactory to the board that he is of good moral character and that the school he represents has a good reputation for honesty and integrity in prior education transactions.

61 A permit issued hereunder, upon fifteen days' notice 62 and after a hearing if a hearing is requested by the permit 63 holder, may be revoked by the board of education for 64 fraud or misrepresentation in soliciting or enrolling 65 students, for failure of the school to fulfill its contract

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with one or more students who are residents of West
Virginia, or for violation of or failure to comply with any
provision of this section or with any regulation of the
state board of education.

The issuance of a permit pursuant to this section does 70 not constitute approval or accreditation of any course 71 72 or school. No school nor any representative of a school shall make any representation stating, inserting or imply-73 ing that a permit issued pursuant to this section con-74 75 stitutes approval or accreditation by the state of West Virginia, state board of education or any other depart-76 ment or agency of the state. 77

The state board of education is hereby authorized to adopt rules and regulations for the administration and enforcement of the provisions of this section, and to establish an advisory committee of not more than five owners or other representatives of privately owned correspondence, business, occupational and trade schools.

Any person violating any provision of this section shall
be guilty of a misdemeanor, and, upon conviction thereof,
shall be fined not more than two hundred dollars, or

imprisoned in the county jail not more than sixty days, 87 or both fined and imprisoned. No correspondence, busi-88 89 ness, occupational or trade school shall maintain an action 90 in any court of this state to recover for services rendered pursuant to a contract solicited by the school's repre-91 92 sentative if the representative is required under this section to obtain a permit and did not hold a valid permit at 93 the time the contract was signed by any of the parties 94 thereto. The attorney general or any county prosecuting 95 attorney, at the request of the state board of education or 96 97 upon his own motion, may bring any appropriate action 98 or proceeding in any court of competent jurisdiction for 99 the enforcement of the provisions of this section relating 100 to permits, bonds and sureties.

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The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect from passage. Clerk of the Senate

VaBlankens,

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved ay of March 1071 this the 314

1971. Archa. Shas

Governor

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day of

PRESENTED TO THE GOVERNOR

Date 2/26/11 Time 1:20 p.m.

### RECEIVED

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OFFICE OF SECRETARY OF STATE STATE OF WEST VIRGINIA