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# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1988



# ENROLLED

Com. Sub. for  
HOUSE BILL No. 4580

(By Mr. Del Southern + Williams)



Passed March 10, 1988

In Effect Ninety Days From Passage

**ENROLLED**  
COMMITTEE SUBSTITUTE  
FOR  
**H. B. 4580**  
(By DELEGATES SOUTHERN and WILLIAMS)

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[Passed March 10, 1988; in effect ninety days from passage.]

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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; and to amend and reenact sections two and thirteen-a, article twenty-six of said chapter, all relating to correspondence, business, occupational and trade schools; transferring jurisdiction of such schools offering specialized associate degrees from the board of regents to the state board; raising the amount required for a surety bond for such schools; allowing such schools time for corrective measures before a permit to operate can be revoked; authorizing the board of education to conduct on-site reviews to evaluate such schools; excepting schools in this state with certain accreditation as of the effective date of this section from such rules except upon written student complaint; and defining terms.

*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; and that sections two and thirteen-a, article twenty-six of said chapter be amended and reenacted, all to read as follows:

ARTICLE 2. BOARD OF EDUCATION.

**§18-2-10. Permits required for correspondence, business, occupational and trade schools; surety bonds and fees; issuance, renewal and revocation of permit; reports; rules and regulations; penalty and enforcement.**

1 It shall be unlawful for any person representing a  
2 correspondence, business, occupational or trade school  
3 inside or outside this state to solicit, sell or offer to sell  
4 courses of instruction to any resident of this state for  
5 consideration or remuneration unless the school first  
6 obtains a permit from the West Virginia board of  
7 education in the manner and on the terms herein  
8 prescribed.

9 The application for a permit shall be made on forms  
10 to be furnished by the board, and a ten dollar fee shall  
11 be required. The application shall be accompanied by a  
12 surety bond in the penal sum of thirty-five thousand  
13 dollars for any school which has its physical facilities  
14 located in this state and which has operated in this state  
15 for at least ten years. For any other school a surety bond  
16 in the penal sum of not less than thirty-five thousand  
17 dollars, but not more than one hundred thousand  
18 dollars, shall be required, such amount to be determined  
19 in accordance with the rules of the state board. Schools  
20 with more than one campus within the state shall be  
21 required to provide a bond for each of its campuses in  
22 an amount equal to the bond required for its oldest  
23 established campus in this state. The bond may be  
24 continuous and shall be conditioned to provide indem-  
25 nification to any student suffering loss as a result of any  
26 fraud or misrepresentation used in procuring the  
27 student's enrollment or failure of the school to meet  
28 contractual obligations. The bond shall be given by the  
29 school itself as a blanket bond covering all of its  
30 representatives. The surety on any such bond may  
31 cancel the same upon giving thirty days' notice in  
32 writing to the principal on said bond and to the state  
33 board of education and thereafter shall be relieved of  
34 liability for any breach of condition occurring after the  
35 effective date of said cancellation. The ten dollar fee will

36 entitle a school to register up to two individual solicitors.  
37 Additional solicitors may be registered by paying a five  
38 dollar fee for each registration submitted.

39 A permit shall be valid for one year corresponding to  
40 the effective date of the bond and, upon application,  
41 accompanied by the required fee and the surety bond  
42 as herein required, may be renewed. All fees collected  
43 for the issuance or renewal of such permit shall be  
44 deposited in the state treasury to the credit of the  
45 general school fund.

46 The board may refuse a permit to any school if the  
47 board finds that the school engages in practices which  
48 are inconsistent with this section or with rules and  
49 regulations issued pursuant thereto. A permit issued  
50 hereunder, upon fifteen days' notice and after a hearing,  
51 if a hearing is requested by the school, may be sus-  
52 pended or revoked by the board of education for fraud  
53 or misrepresentation in soliciting or enrolling students,  
54 for failure of the school to fulfill its contract with one  
55 or more students who are residents of West Virginia, or  
56 for violation of or failure to comply with any provision  
57 of this section or with any regulation of the state board  
58 of education pertinent thereto. Prior to the board taking  
59 any adverse action, including refusal, suspension or  
60 revocation of a permit, the school shall be given  
61 reasonable opportunity to take corrective measures. Any  
62 refusal, suspension or revocation of a permit, or any  
63 other adverse action against a school, shall comply with  
64 all constitutional provisions, including due process,  
65 relating to the protection of property rights.

66 All correspondence, business, occupational or trade  
67 schools which have been issued a permit shall make  
68 annual reports to the state board of education on forms  
69 furnished by the board and shall provide such approp-  
70 riate information as the board reasonably may require.  
71 All correspondence, business, occupational or trade  
72 schools which have been issued a permit shall furnish  
73 to the West Virginia board of education a list of its  
74 official representatives. Each school shall be issued a  
75 certificate of identification by the state board of  
76 education for each of its official representatives.

77 The issuance of a permit pursuant to this section does  
78 not constitute approval or accreditation of any course or  
79 school. No school nor any representative of a school shall  
80 make any representation stating, asserting or implying  
81 that a permit issued pursuant to this section constitutes  
82 approval or accreditation by the state of West Virginia,  
83 state board of education or any other department or  
84 agency of the state.

85 The state board of education is hereby authorized to  
86 adopt rules and conduct on-site reviews to evaluate  
87 academic standards maintained by schools for the  
88 awarding of certificates, diplomas and specialized  
89 associate degrees, which standards may include curric-  
90 ulum, personnel, facilities, materials and equipment:  
91 *Provided*, That in the case of accredited correspondence,  
92 business, occupational and trade schools under permit  
93 on the effective date of this section, having their physical  
94 facilities located in this state, and which are accredited  
95 by the appropriate nationally recognized accrediting  
96 agency or association approved by the United States  
97 department of education, the accrediting agency's  
98 standards, procedures and criteria shall be accepted as  
99 meeting applicable laws, standards, rules and regula-  
100 tions of the state board of education: *Provided, however*,  
101 That the state board of education may authorize an  
102 investigation of written student complaints alleging a  
103 violation of this section, or state board rules or accred-  
104 itation standards and may take appropriate action based  
105 on the findings of such an investigation.

106 The state board of education is hereby authorized to  
107 adopt rules for the awarding of any specialized associate  
108 degree: *Provided*, That nothing contained herein shall  
109 infringe upon the rights of accredited West Virginia  
110 proprietary schools operating in West Virginia to confer  
111 specialized associate degrees, diplomas or certificates  
112 based on credit or clock hours in accordance with  
113 standards of the appropriate nationally recognized  
114 accrediting agency or association that is approved by the  
115 United States department of education. For the pur-  
116 poses of this section, schools that award specialized  
117 associate degrees shall be defined as proprietary

118 vocational-technical institutions, and specialized asso-  
119 ciate degrees shall mean degrees awarded by such  
120 institutions pursuant to a program of not less than two  
121 academic years.

122 The state board of education is hereby authorized to  
123 adopt rules for the administration and enforcement of  
124 the provisions of this section and shall establish an  
125 advisory committee of not less than five owners or other  
126 representatives of resident, privately owned correspon-  
127 dence, business, occupational and trade schools.

128 A representative of any school violating any provision  
129 of this section shall be guilty of a misdemeanor, and,  
130 upon conviction thereof, shall be fined not more than two  
131 hundred dollars per day of violation, not to exceed a  
132 maximum of two thousand dollars per violation, or  
133 imprisoned in the county jail not more than sixty days,  
134 or both fined and imprisoned. No correspondence,  
135 business, occupational or trade school shall maintain an  
136 action in any court of this state to recover for services  
137 rendered pursuant to a contract solicited by the school  
138 if the school did not hold a valid permit at the time the  
139 contract was signed by any of the parties thereto. The  
140 attorney general or any county prosecuting attorney, at  
141 the request of the state board of education or upon his  
142 or her own motion, may bring any appropriate action  
143 or proceeding in any court of competent jurisdiction for  
144 the enforcement of the provisions of this section relating  
145 to permits, bonds and sureties.

**ARTICLE 26. WEST VIRGINIA BOARD OF REGENTS.**

**§18-26-2. Definitions.**

1 Notwithstanding the provisions of section one, article  
2 one of this chapter, the following words when used in  
3 this article shall have the meaning hereafter ascribed  
4 to them unless the context clearly indicates a different  
5 meaning:

6 (a) The term "board" shall mean the West Virginia  
7 board of regents.

8 (b) The term "state colleges" shall mean Bluefield  
9 State College, Concord College, Fairmont State College,

10 Glenville State College, Shepherd College, West Liberty  
11 State College, West Virginia Institute of Technology,  
12 West Virginia State College, West Virginia School of  
13 Osteopathic Medicine and any state community college  
14 or other state institution of higher education which may  
15 hereafter be established and not designated as a  
16 “university.”

17 (c) The term “state college” shall mean one of the state  
18 colleges.

19 (d) The terms “state universities” and “universities”  
20 shall mean Marshall University and West Virginia  
21 University and any other state institution of higher  
22 education which may hereafter be established and  
23 designated as a “university.”

24 (e) The terms “state university” and “university” shall  
25 mean one of the state universities.

26 (f) The term “community college” shall mean any  
27 institution of higher education which has been desig-  
28 nated as a community college by the West Virginia  
29 board of regents under the provisions of section thirteen-  
30 b of this article.

31 (g) The term “higher educational institution” shall  
32 mean any institution as defined by sections 401(f), (g),  
33 (h) of the Federal Higher Education Facilities Act of  
34 1963, as amended.

**§18-26-13a. Accreditation of institutions of higher educa-  
tion; standards for degrees.**

1 The West Virginia board of regents shall make rules  
2 and regulations for the accreditation of all colleges,  
3 universities and other institutions of higher education in  
4 the state, and shall determine the minimum standards  
5 for the conferring of degrees, with the exception of  
6 specialized associate degrees awarded by proprietary  
7 vocational-technical institutions pursuant to section ten,  
8 article two of this chapter. No institution of higher  
9 educational status may confer any degree on any basis  
10 of work or merit below the minimum standards pres-  
11 cribed by the West Virginia board of regents. Nothing  
12 contained herein shall infringe upon the rights, includ-

13 ing rights to award degrees, granted to any institution  
14 by charter given according to law, or by actions of the  
15 West Virginia board of regents, previous to the adoption  
16 of this section: *Provided*, That such right granted to a  
17 private, proprietary correspondence, business, occupa-  
18 tional or trade school shall be deemed as granted by the  
19 state board of education, which shall regulate such  
20 schools pursuant to the provision of section ten, article  
21 two of this chapter.

22 No charter or other instrument containing the right  
23 to confer degrees of higher educational status, with the  
24 exception of specialized associate degrees awarded by  
25 proprietary vocational-technical institutions pursuant to  
26 section ten, article two of this chapter, shall be granted  
27 by the state of West Virginia to any institution,  
28 association or organization within the state, nor shall  
29 any such degree be awarded until the condition of  
30 conferring such degree has first been approved in  
31 writing by the West Virginia board of regents.

*W. H. ...*  
*...*  
*...*

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

*Bruce O. Williams*  
Chairman Senate Committee

*Bernard V. Kelly*  
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

*Jedd C. Withers*  
Clerk of the Senate

*Donald Z. Kopp*  
Clerk of the House of Delegates

*Sam Taylor*  
President of the Senate

*Robert C. Bell*  
Speaker of the House of Delegates

The within *approved* this the *30th*  
*March* day of \_\_\_\_\_, 1988.

*Archa Shroyer*  
Governor

PRESENTED TO THE

GOVERNOR

Date 3/18/88

Time 4:27 p.m.

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OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE