



CR 86-170

State of Wisconsin

EDUCATIONAL APPROVAL BOARD

David R. Stucki
Executive Secretary

Mailing Address:
P.O. Box 7874
Madison, Wisconsin 53707

Office Location:
310 Price Place
Madison, Wisconsin

RECEIVED
MAR 26 1987
8:55 am
Revisor of Statutes
Bureau

CERTIFICATE

STATE OF WISCONSIN)
)SS.
EDUCATIONAL APPROVAL BOARD)

I, David R. Stucki, Executive Secretary of the Educational Approval Board and custodian of the official records of the board, certify that the Educational Approval Board duly approved and adopted on February 27, 1987, the annexed rules relating to application and renewal fees required of for-profit postsecondary schools, to renewal fees required of applicants for solicitors' permits, and to applications for renewal of approval granted to for-profit postsecondary schools.

I further certify that I have compared this copy with the original on file in the offices of this agency and that the same is a true copy of the original, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 310 Price Place, in the city of Madison, this 13th day of March, 1987.

David R. Stucki
Executive Secretary
Educational Approval Board

ORDER OF THE EDUCATIONAL APPROVAL BOARD
REPEALING, AMENDING AND RECREATING RULES

1 To renumber EAB 2.11 (6) through (8) and EAB 3.02 (3) and (4), to amend EAB 2.11 (1)
2 through (5) and EAB 3.02 (1) and (2), relating to application and renewal fees required
3 of for-profit postsecondary schools and renewal fees required of applicants for solic-
4 itors' permits, and to repeal and recreate s. EAB 2.02 (3), relating to applications for
5 renewal of approval granted to for-profit postsecondary schools.

Analysis by the Educational Approval Board

These amendments renumber ss. EAB 2.11 (6) through (8) and EAB 3.02 (3) and (4), revise the fees contained in ss. EAB 2.11 and EAB 3.02, and repeal and recreate s. EAB 2.02 (3), Wis. Adm. Code. Sections EAB 2.02 (3) and EAB 2.11 interpret s. 38.51 (10) (b), Stats.; section EAB 3.02 interprets s. 38.51 (8) (b), Stats.

The revisions to s. EAB 2.02 (3) eliminate superfluous language and clarify when a currently-approved school must file an application for renewal of approval. The language of the rule is also rewritten in active voice.

The amendments to s. EAB 2.11 increase the following application fees:

<u>Type of Application</u>	<u>Old Fee</u>	<u>New Fee</u>
Initial School Approval	\$100	\$200
Renewal of School Approval	\$100	\$200
Course of Instruction	\$150	\$300
Teaching Location	\$ 20	\$ 40
Change of Ownership	\$ 75	\$150

The order also revises the rule to exempt a school from paying a fee for renewal of approval if a school has paid in full during the current calendar year all fees required for initial approval of the school. The present rule exempts from paying a fee for renewal of approval any school to which the board has granted initial approval in the calendar year during which the renewal fee is due.

The application fee for renewal of a solicitor's permit is raised to \$50. The order also rewrites the rule in active voice, and adds a sentence which reflects the existing practice of requiring concurrence in an individual's application by the employing school.

Fees paid by for-profit schools and their solicitors partially support the regulatory activities of the board, including application processing, school and course evaluation, complaint investigation, school inspection, file maintenance, and response to inquiries. This order has been revised to be fully responsive to the concerns reported by the Rules Clearinghouse, including the suggestion that the fees be increased to the statutory maximums of s. 38.51 (8) (b) and (10) (c), Wis. Stats. Even with the new increases, the estimated fee revenue for fiscal year 1987-88 will amount to less than 38 per cent of the funds needed to carry on the activities involved in regulating the for-profit schools and their solicitors.

The increased fees for renewal of school approval or renewal of a solicitor's permit will apply to applications for renewal of approvals or permits which expire on or after the effective date of the amended rules. For all other applications, the increased fees will apply to applications which are received on or after the effective date of the amended rules.

1 Pursuant to authority vested in the Educational Approval Board by s. 38.51 (3), (8) (b),
2 and (10) (b), Stats., the Educational Approval Board renumbers, amends,

1 repeals and recreates rules interpreting s. 38.51 (8) (b) and (10) (b), Stats., as follows:

2 **SECTION 1.** EAB 2.02 (3) is repealed and recreated to read:

3 (3) RENEWAL OF APPROVAL. (a) Except as provided in par. (b), a school
4 approved to operate or do business in the state shall, after June 30 but no later than
5 September 1 of each year, apply for renewal of approval on forms furnished by the
6 board and shall submit with the forms the fee required by s. EAB 2.11 (3).

7 (b) A school need not apply for renewal of approval in the calendar year in which
8 the school paid in full the fees required by s. EAB 2.11 (2).

9 **SECTION 2.** EAB 2.11 (1) through (5) are amended to read:

10 EAB 2.11 APPLICATION AND RENEWAL FEES (s. 38.51 (10) (b), Stats.) (1)
11 APPLICABILITY. The fees listed in this section shall apply:

12 (a) For renewals of school approval, to any application for renewal of an approval
13 which expires on or after the effective date of this section. [Revisor inserts actual
14 effective date.]

15 (b) For all other applications, to applications which the board receives on or after
16 the effective date of this section. [Revisor inserts actual effective date.]

17 (2) APPLICATION FEES FOR INITIAL SCHOOL APPROVAL. A school which is not
18 approved to operate or do business in the state and which is applying for approval shall
19 pay a fee of ~~\$100~~ \$200, plus:

20 (a) A fee for each course of instruction the school wishes to advertise, offer or
21 teach in the state, as provided in sub. ~~(3)~~ (4); and

22 (b) A fee for each teaching location, other than the main location of the school as
23 listed on the application for approval, which the school wishes to use in the state, as
24 provided in sub. ~~(4)~~ (5).

25 ~~(2)~~ (3) ANNUAL FEES FOR RENEWAL OF SCHOOL APPROVAL. (a) Each Except
26 as provided in par. (b), a school approved to operate or do business in the state shall,

1 after June 30 but no later than September 1 of each year, pay an annual fee of \$100
2 \$200, due on September 1 of the year following the calendar year in which approval
3 was initially granted, and on September 1 of each year thereafter. Failure to pay
4 renewal fees on or before the due date shall be sufficient grounds for revocation of
5 approval.

6 (b) A school need not pay the annual fee otherwise required by par. (a) in the calen-
7 dar year in which the school paid in full the fees required by sub. (2).

8 ~~(3)~~ (4) APPLICATION FEE FOR APPROVAL OF COURSES OF INSTRUCTION. A
9 school shall pay an application fee of ~~\$150~~ \$300 when applying for approval of a course
10 of instruction.

11 ~~(4)~~ (5) APPLICATION FEE FOR APPROVAL OF TEACHING LOCATIONS. A school
12 shall pay an application fee of ~~\$20~~ \$40 when applying for approval of a teaching loca-
13 tion.

14 ~~(5)~~ (6) CHANGE OF OWNERSHIP OR CONTROL. (a) Approval of a school termi-
15 nates at the time when the ownership or control of the school changes from that indi-
16 cated on ~~its~~ the most recent application the school filed with the board.

17 (b) An approved school shall notify the board of any proposed change of ownership
18 or control.

19 (c) The prospective owner or owners shall submit to the board prior to the effective
20 date of the transfer an application reflecting the change of ownership or control. The
21 application shall be accompanied by a fee of ~~\$75~~ \$150, plus:

22 1. A fee, as provided in sub. ~~(3)~~ (4), for each course of instruction listed on the
23 application which, at the time the school files the application, is not approved by the
24 board; and

25 2. A fee, as provided in sub ~~(4)~~ (5), for each teaching location listed on the applica-
26 tion which, at the time the school files the application, is not approved by the board as

1 a teaching location of the school.

2 (d) A school may request an interpretation from the board as to the application of
3 this ~~section~~ subsection to a contemplated change of ownership or control.

4 **SECTION 3.** EAB 2.11 (6) through (8) are renumbered (7) through (9).

5 **SECTION 4.** EAB 3.02 (1) and (2) are amended to read:

6 (1) APPLICABILITY OF FEES. The fees specified in this section shall apply:

7 (a) For original applications, to applications filed on or after December 1, 1980;

8 (b) For renewal applications, to applications for renewal of permits which expire on
9 or after the effective date of this rule. [Revisor inserts actual effective date.]

10 (2) ORIGINAL APPLICATION. ~~An application~~ An individual shall apply for a solic-
11 itor's permit ~~shall be made~~ on forms furnished by the board and shall be ~~accompanied~~
12 by submit with the forms a \$50 fee and a surety bond acceptable to the board for that
13 solicitor in the sum of \$1,000. The school for which the individual requests a permit
14 shall concur in the individual's application.

15 ~~(2)~~ (3) RENEWAL APPLICATIONS. ~~An application~~ A solicitor shall apply for
16 renewal of a solicitor's permit ~~shall be made~~ on forms furnished by the board and shall
17 ~~be accompanied~~ by submit with the forms a \$50 fee ~~of \$30~~ and a surety bond accept-
18 able to the board in the sum of \$1,000 if a ~~continuous bond~~ the solicitor or school has
19 ~~not been~~ already furnished a bond for that solicitor which remains in effect. The
20 school for which the individual requested a renewal of a permit shall concur in the
21 individual's application.

22 Note: An school which desires to have its representative apply for an original
23 solicitor's permit or for renewal of a solicitor's permit may obtain form EAB
24 2.01, Application to Solicit Students in Wisconsin for Private Schools, by writing
25 the Educational Approval Board at P. O. Box 7874, Madison, WI 53707-7874, or
26 by telephoning (608) 266-1996.

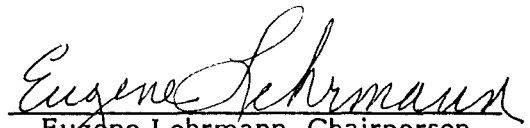
1 **SECTION 5.** EAB 3.02 (3) and (4) are renumbered (4) and (5).

NOTE TO REVISOR: Please delete the last sentence of the note following s. EAB 2.11 (6) (d) and substitute the following: form EAB 1.11, Application for Approval, Course of Instruction, Wis. Stats. s. 38.51. The rest of the note remains as currently printed.

The rules contained in this order shall take effect July 1, 1987.

Dated: February 27, 1987

Agency:


Eugene Lehrmann, Chairperson
Educational Approval Board

SUMMARY OF FINAL REGULATORY FLEXIBILITY ANALYSIS
FOR RULES PROMULGATED BY THE EDUCATIONAL APPROVAL BOARD

Subsections 38.51 (2), (7) (g) and (10) of s. 38.51, Stats., require the Educational Approval Board to protect the general public by approving for-profit postsecondary schools which do business in Wisconsin, changes of ownership or control of those schools, teaching locations used by those schools, and courses of instruction offered by those schools. Most for-profit postsecondary schools regulated by the board meet the definition of "small business" contained in s. 227.114 (1), Stats. We therefore take into consideration when drafting proposed rules the effect the rules will have on those small businesses which are for-profit postsecondary schools. We are of the opinion that additional consideration of accommodations for small business, as specified in s. 227.114 (2), Stats., is not necessary.

In an effort to obtain comments from affected small businesses regarding the proposed rule, the agency mailed copies of the proposed rule to all approved schools and to all schools which had applications for approval pending as of October 7, 1986. The notice regarding the public hearing on the proposed rules also stated that the rule affected those small businesses which are for-profit postsecondary schools. However, only one representative of a small business attended the public hearing, and that person did not suggest any changes in the proposal to reduce its impact on small businesses.

No professional skills will be required to comply with the rule. The application fees charged those small businesses which are for-profit postsecondary schools will increase.

The agency received no comments from the standing committees of the legislature regarding the rules.