

Chapter 595

AN ACT to repeal 20.393 (41); to renumber and amend 20.393 (1); and to repeal and recreate 15.98 of the statutes, relating to the title, duties, and method of financing of the governor's educational advisory committee, by this act renamed the educational approval council.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 15.98 of the statutes is repealed and recreated to read:

15.98 EDUCATIONAL APPROVAL COUNCIL. (1) DEFINITIONS. In this section unless the context clearly requires otherwise:

(a) "Council" means educational approval council.

(b) "Solicitor" means a person employed by or representing a school located either within or outside this state who, in places other than the actual business premises of the school, personally attempts to secure the enrollment of a student in such school.

(c) "Person" means any individual, partnership, association, or corporation or any combination thereof.

(d) "School" means any person, located within or outside this state, maintaining, advertising or conducting any course or course of instruction for profit or a tuition charge; but in subs. (7) and (9) "school" means any private trade, correspondence, business or technical school not excepted under sub. (9).

(e) "Course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specified amount of related subject matter.

(f) "Course of instruction" means a series of classroom or correspondence courses having a unified purpose which lead to a diploma or degree or to an occupational or vocational objective.

(2) PURPOSE. The purpose of the council is to approve schools and courses of instruction for the training of veterans of the armed forces and war orphans receiving assistance from the federal government, protect the general public by inspecting and approving private trade, correspondence, business and technical schools doing business within this state whether located within or outside this state and courses of instruction offered by these schools and to regulate the soliciting of students for correspondence or classroom courses and courses of instruction offered by these schools.

(3) CREATION, MEMBERS, RULE-MAKING POWER. There is created the educational approval council to consist of such representatives of state agencies and such other persons with a demonstrated interest in educational programs as the governor selects. Members of the council shall serve at the convenience of the governor. The council shall prescribe rules and establish standards necessary to carry out its purpose.

(4) OFFICERS; MEETINGS. The officers of the council shall consist of a chairman, vice chairman and secretary selected by the council from among its members. The council shall determine the time and place of meeting, but may be called by the governor or the chairman at any time.

(5) EMPLOYES, QUARTERS. The council shall employ a person to perform the duties of an executive secretary and such other persons under the classified service as may be necessary to carry out its purpose. The administrative functions of the council shall be in charge of the person

performing the duties of the executive secretary. The council shall keep its office at the state capitol.

(6) APPROVAL AGENCY FOR VETERAN'S TRAINING. (a) Except as provided in par. (b) the council shall be the state approval agency for the education and training of veterans and war orphans. It shall approve and supervise schools and courses of instruction for their training under Title 38, U.S.C., and may enter into and receive money under contracts with the veterans administration or other appropriate federal agencies.

(b) The governor may designate the following agencies for approval and supervision of special phases of the program of veterans education:

1. On the job and apprenticeship training program, the industrial commission.
2. On the farm training program, the state board of vocational and adult education.
3. Embalmers and funeral directors apprentices, the state board of health.

(7) APPROVAL OF SCHOOLS GENERALLY. In order to protect students, prevent fraud and misrepresentation in the sale and advertising of courses and courses of instruction and encourage schools to maintain courses and courses of instruction consistent in quality, content and length with generally accepted educational standards, the council shall:

(a) Investigate the adequacy of courses and courses of instruction offered by schools to residents of this state and establish minimum standards for such courses of instruction.

(b) Investigate the adequacy of schools' facilities, equipment, instructional materials and instructional programs and establish minimum standards therefor.

(c) Establish rules, standards and criteria to prevent fraud and misrepresentation in the sale and advertising of courses and courses of instruction.

(d) Establish rules restricting the negotiability of promissory instruments received by schools in payment of tuition and other charges.

(e) Establish minimum standards for refund of the unused portion of tuition, fees and other charges if a student does not enter a course or course of instruction or withdraws or is discontinued therefrom.

(f) Require schools offering courses and courses of instruction to residents of this state to furnish information concerning their facilities, curricula, instructors, enrollment policies, tuition and other charges and fees, refund policies and policies concerning negotiability of promissory instruments received in payment of tuition and other charges.

(g) Approve courses of instruction and schools meeting the requirements and standards established by the council and complying with rules established by the council and publish a list of such schools and courses of instruction.

(h) Issue permits to solicitors when all council requirements have been met.

(8) SOLICITING OF STUDENTS. (a) *In general.* No solicitor representing any school offering any course or course of instruction shall sell any course or course of instruction or solicit students therefor in this state for a consideration or remuneration, except upon the actual business premises of the school, unless he first secures a solicitor's permit from the council. If the solicitor represents more than one school, a separate permit shall be obtained for each school represented by him.

(b) *Solicitor's permit.* The application for a solicitor's permit shall be made on a form furnished by the council and shall be accompanied by a fee of \$5 and a surety bond acceptable to the council in the sum of \$1,000. Such bond may be continuous and shall be conditioned to provide indemnity.

fication to any student suffering loss as the result of any fraud or misrepresentation used in procuring his enrollment or as a result of the failure of the school to faithfully perform the agreement made with him by the solicitor, and may be supplied by the solicitor or by the school itself as a blanket bond covering each of its solicitors in the amount of \$1,000. Upon approval of a permit the council shall issue an identification card to the solicitor giving his name and address, the name and address of his employing school, and certifying that the person whose name appears on the card is authorized to solicit students for the school. A permit shall be valid for one year from the date issued. Liability of the surety on the bond for each solicitor covered thereby shall in no event exceed the sum of \$1,000 as an aggregate for any and all students for all breaches of the conditions of the bond. The surety of a bond may cancel the same upon giving 30 days notice in writing to the council and thereafter shall be relieved of liability for any breach of condition occurring after the effective date of the cancellation. An application for renewal shall be accompanied by a fee of \$5, a surety bond if a continuous bond has not been furnished, and such information as the council requests of the applicant.

(c) *Refusal or revocation of permit.* The council may refuse to issue or renew, or may revoke, any solicitor's permit upon one or any combination of the following grounds:

1. Wilful violation of this subsection or any rule promulgated by the council under this section;
2. Furnishing false, misleading or incomplete information to the council;
3. Presenting information to prospective students relating to the school, a course or course of instruction which is false, fraudulent or misleading;
4. Refusal by the school to be represented to allow reasonable inspection or to supply information after written request therefor by the council;
5. Failure of the school which the solicitor represents to meet requirements and standards established by and to comply with rules prescribed by the council pursuant to sub. (7);
6. Cancellation of the solicitor's bond by surety;
7. That the applicant or holder of the permit is not of good moral character.

(d) *Notice of refusal to issue or renew permit.* Notice of refusal to issue or renew a permit or of the revocation of a permit shall be sent by registered mail to the last address of the applicant or permit holder shown in the records of the council. Revocation of a permit shall be effective 10 days after the notice of revocation has been mailed to the permit holder.

(e) *Request for appearance.* Within 20 days of the receipt of notice of the council's refusal to issue or renew a permit or of the revocation of a permit, the applicant or holder of the permit may request that he be permitted to appear before the council in person, with or without counsel, to present reasons why the permit should be issued or reinstated. Upon receipt of such request the council shall grant a hearing to the applicant or holder of the permit within 30 days giving him at least 10 days' notice of the date, time and place.

(f) *Recovery by students.* The bond in force under par. (b) shall not limit or impair any right of recovery otherwise available under law, nor shall the amount of the bond be relevant in determining the amount of damages or other relief to which any plaintiff may be entitled.

(g) *Recovery on contracts.* No recovery shall be had by any school or its assignee on any contract for or in connection with a course or course of instruction if the representative who sold or solicited the course was not

the holder of a solicitor's permit under this subsection at the time of the sale or solicitation.

(h) *Enforcement.* The attorney general or any district attorney may bring any appropriate action or proceeding in any court of competent jurisdiction for the enforcement of this subsection.

(i) *Penalty.* Whoever violates this subsection may be fined not more than \$500 or imprisoned not more than 3 months or both.

(j) *Effective date.* All permits issued prior to the effective date of this section (1965) shall remain in effect until the date of their expiration and shall be subject only to the provisions of law under which they were issued.

(9) EXCEPTIONS. This section, except the provisions of sub. (6), shall not apply to the following:

(a) Schools organized on a nonprofit basis as defined by the U. S. internal revenue code.

(b) Schools that are supported mainly by taxes.

(c) Schools of a parochial or denominational character offering courses having a sectarian objective.

(d) Schools primarily offering instruction avocational or recreational in nature and not leading to a vocational objective.

(e) Courses conducted by employers exclusively for their employees.

(f) Schools, courses of instruction and training programs which are approved or licensed and supervised by other state agencies and boards.

(g) Schools approved by the department of public instruction for the training of teachers.

(h) Schools accredited by accrediting agencies recognized by the council.

SECTION 2. 20.393 (1) of the statutes is renumbered 20.330 (1) and amended to read:

20.330 EDUCATIONAL APPROVAL COUNCIL. (1) GENERAL ADMINISTRATION. There is appropriated from the general fund to the ~~governor's educational advisory committee~~ *approval council* on July 1, 1963, \$6,500 1965, \$18,945 and annually beginning July 1, 1964, \$6,500 1966, \$19,489 for the ~~administration of execution of its functions under s. 15.98.~~ The administrative detail of handling this appropriation shall be carried out by the department of public instruction without remuneration.

SECTION 3. 20.393 (41) of the statutes is repealed.

Approved June 27, 1966.
