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SCHOOLS

(105 ILCS 426/) Private Business and Vocational Schools Act of 2012.

(105 ILCS 426/1)

Sec. 1. Short title. This Act may be cited as the Private Business and Vocational Schools Act of 2012.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/5)

Sec. 5. Purpose. It is the purpose of this Act to provide for the protection, education, and welfare of the citizens of this State; to provide for the education, protection, and welfare of the students of its private business and vocational schools; and to facilitate and promote quality education and responsible, ethical, business practices in each of the private business and vocational schools enrolling students in this State.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/10)

Sec. 10. Validity of certificates under the Private Business and Vocational Schools Act. Certificates of approval granted by the State Board of Education under the Private Business and Vocational Schools Act, which is repealed by this Act, shall remain valid through June 30, 2012.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/15)

Sec. 15. Definitions. As used in this Act, unless the context otherwise requires:

"Board" means the Board of Higher Education established under the Board of Higher Education Act.

"Certificate of completion" or "certificate" means any designation, appellation, series of letters or words, or other symbol that signifies or purports to signify that the recipient thereof has satisfactorily completed a private business and vocational school's program of study that is beyond the secondary school level, but not a post-secondary degree program at the associate, baccalaureate, master's, doctoral, or post-baccalaureate, professional degree level.

"Chief managing employee" is the individual who is the head administrator or supervisor at a school's principal location.

"Educational institution" or "institution" means an organization that promotes business and vocational education, even though the institution's principal effort may not be exclusively educational in nature.

"Enrollment agreement" means any agreement or instrument, however named, that creates or evidences an obligation binding a student to purchase a program of study from a school.

"Non-degree program of study" or "program of study" means any designation, appellation, series of letters or words, or other symbol that signifies or purports to signify that the recipient has satisfactorily completed an organized academic

program of study beyond the secondary school level, such as a certificate, but below the associate's degree level and that does not include any recognized degree program such as an associate's, baccalaureate, master's, or doctoral degree, a post-baccalaureate, professional degree, or a post-degree certificate, such as a post-baccalaureate certificate, post-master's certificate, or post-doctoral certificate. "Program of study" as used in this definition means any academic program beyond the secondary school level, except for a program that is devoted entirely to religion or theology, a program offered by an institution operating under the authority of the Private College Act, the Academic Degree Act, or the Board of Higher Education Act, or a program of study of less than one year in length operating under the statutory authority granted to the Department of Financial and Professional Regulation.

"Permit of approval" means a non-transferable permit, issued by and pursuant to the authority of the Board of Higher Education through its Division of Private Business and Vocational Schools to a private business and vocational school in the name of the school, that authorizes the school to solicit students and to offer and maintain one or more courses of instruction in compliance with the provisions of this Act and such standards and rules as may be adopted by the Board.

"Private business and vocational school" or "school" means an educational institution privately owned or operated by a person, partnership, corporation, or other entity offering courses of instruction for which tuition is charged, whether such courses of instruction are offered on site, through correspondence, by distance education, or by other methods, to prepare individuals to do any of the following:

(1) To follow a trade or artistic occupation.

(2) To pursue a manual, mechanical, technical, industrial, business, commercial, office, personal service (other than nursing), or other non-professional occupation.

(3) To follow a profession, if the profession is not subject to licensing or registration under any existing State statute requiring the licensing or registration of persons practicing such profession or if the school is not subject to the regulation of the agency with such licensing or registration authority.

(4) To improve, enhance, or add to the skills and abilities of the individual relative to occupational responsibilities or career opportunities.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/20)

Sec. 20. Permit of approval. No person or group of persons subject to this Act may establish and operate or be permitted to become incorporated for the purpose of (1) operating a private business and vocational school or (2) creating or developing a course of instruction, non-degree program of study, or program of study curriculum in order to sell such courses of instruction or curriculum to a private business and vocational school, without obtaining from the Board a permit of approval, provided that a permit of approval is not required for a program that is devoted entirely to religion or theology or a program offered by an institution operating under the authority of the Private College Act, the Academic Degree Act, or the Board of Higher Education Act. Application for a permit must be made to the Board upon forms furnished by it. The Board may not approve any application for a permit of approval that has been plagiarized, in part or in whole. Additionally, the Board may not approve any application for a permit of approval that has not been completed in its entirety. Permits of approval are not transferable.

Whenever a change of ownership of a school occurs, an application for a permit of approval for the school under the changed ownership must immediately be filed with the Board. Whenever an owner, partnership, or corporation operates a school at different locations, an application for a permit of approval must be filed for each location. A school must have approval prior to operating at a location and must make application to the Board for any change of location and for a classroom extension at a new or changed location. Each application required to be filed in accordance with the provisions of this Section must be accompanied by the required fee under the provisions of Sections 75 and 85 of this Act, and all such applications must be made on forms prepared and furnished by the Board. The permit of approval must be prominently displayed at some place on the premises of the school at each school location open to the inspection of all interested persons. The Board shall maintain, open to public inspection, a list of schools, their classroom extensions, and their courses of instruction approved under this Act and may annually publish such a list. Issuance of the permit of approval by the Board does not denote that the school or any program offered by the school is recommended, guaranteed, or endorsed by the Board or that the Board is responsible for the quality of the school or its programs, and no school may communicate this to be the case. No guarantee of employability of school graduates is made by the Board in its approval of programs or schools, and no school may communicate such information.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/25)

Sec. 25. Award of certificates.

(a) A certificate may be awarded only by a private business and vocational school approved by the Board to award such a certificate or by an institution approved by the Board under the authority of the Private College Act, the Academic Degree Act, or the Board of Higher Education Act. No private business and vocational school shall be authorized to award a certificate or be approved as a certificate-granting institution unless it provides documentation to the Board that it satisfies the criteria for approval. The documentation provided must be under oath or affirmation of the principal officer of the private business and vocational school and shall contain the name and address of the institution, the names and addresses of the president or other administrative head and of each member of the board of trustees or other governing board, a description of the certificates to be awarded and the course or courses of instruction prerequisite thereto, and such additional information relevant to the purposes of this Act as the Board may prescribe. Any amendment to the documentation must be under oath or affirmation of the principal officer of the institution and must be filed with the Board prior to the award of any certificate.

(b) A certificate-granting institution shall keep the documentation that it shall have filed with the Board current at all times. For this purpose, it shall report annually, by appropriate amendment of the notice, any change in a fact previously reported.

The Board may not approve any documentation or amendment to the documentation filed pursuant to this Section unless it finds the facts stated therein to be correct and further finds that such facts constitute compliance with the requirements of this Act for institutions.

Failure to provide such documentation is grounds for

revocation of the permit of approval.
(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/30)

Sec. 30. Exemptions. For purposes of this Act, the following shall not be considered to be a private business and vocational school:

(1) Any institution devoted entirely to the teaching of religion or theology.

(2) Any in-service program of study and subject offered by an employer, provided that no tuition is charged and the instruction is offered only to employees of the employer.

(3) Any educational institution that (A) enrolls a majority of its students in degree programs and has maintained an accredited status with a regional accrediting agency that is recognized by the U.S. Department of Education or (B) enrolls students in one or more bachelor-level programs, enrolls a majority of its students in degree programs, and is accredited by a national or regional accrediting agency that is recognized by the U.S. Department of Education or that (i) is regulated by the Board under the Private College Act or the Academic Degree Act or is exempt from such regulation under either the Private College Act or the Academic Degree Act solely for the reason that the educational institution was in operation on the effective date of either the Private College Act or the Academic Degree Act or (ii) is regulated by the State Board of Education.

(4) Any institution and the franchisees of that institution that exclusively offer a program of study in income tax theory or return preparation at a total contract price of no more than \$400, provided that the total annual enrollment of the institution for all such courses of instruction exceeds 500 students and further provided that the total contract price for all instruction offered to a student in any one calendar year does not exceed \$3,000.

(5) Any person or organization selling mediated instruction products through a media, such as tapes, compact discs, digital video discs, or similar media, so long as the instruction is not intended to result in the acquisition of training for a specific employment field, is not intended to meet a qualification for licensure or certification in an employment field, or is not intended to provide credit that can be applied toward a certificate or degree program.

(6) Schools with no physical presence in this State. Schools offering instruction or programs of study, but that have no physical presence in this State, are not required to receive Board approval. Such an institution must not be considered not to have a physical presence in this State unless it has received a written finding from the Board that it has no physical presence. In determining whether an institution has no physical presence, the Board shall require all of the following:

(A) Evidence of authorization to operate in at least one other state and that the school is in good standing with that state's authorizing agency.

(B) Evidence that the school has a means of receiving and addressing student complaints in compliance with any federal or state requirements.

(C) Evidence that the institution is providing no instruction in this State.

(D) Evidence that the institution is not

providing core academic support services, including, but not limited to, admissions, evaluation, assessment, registration, financial aid, academic scheduling, and faculty hiring and support in this State.

(7) A school or program within a school that exclusively provides yoga instruction, yoga teacher training, or both.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/35)

Sec. 35. Institution and program approval criteria. Each entity seeking a permit of approval is required to demonstrate that it satisfies institution-approval criteria and that each program of study offered meets the program-approval criteria in this Act and any applicable rules. The following standard criteria are intended to measure the appropriateness of the stated educational objectives of the educational programs of a given institution and the extent to which suitable and proper processes have been developed for meeting those objectives. Information related to the satisfaction of the approval criteria outlined in this Section must be supplied to the Board by institutions on forms provided by the Board. Additional information may be requested by the Board to determine the institution's ability to satisfy the criteria. The following must be considered as part of, but not necessarily all of, the criteria for approval of institutions and the programs offered under this Act:

(1) Qualifications of governing board members, owners, and senior administrators. At a minimum, these individuals must be of good moral character and have no felony criminal record.

(2) Qualifications of faculty and staff.

(3) Demonstration of student learning and quality of program delivery.

(4) Sufficiency of institutional finances. The institution must demonstrate that it has the financial resources sufficient to meet its financial obligations, including, but not limited to, refunding tuition pursuant to the institution's stated policies. The school must tender financial records, including, but not limited to, financial statements, income statements, and cash flow statements.

(5) Accuracy, clarity, and appropriateness of program descriptions. Institutional promotional, advertising, and recruiting materials must be clear, appropriate, and accurate.

(6) Sufficiency of facilities and equipment. At a minimum, these must be appropriate and must meet applicable safety code requirements and ordinances.

(7) Fair and equitable refund policies. At a minimum, these must be fair and equitable, must satisfy any related State or federal rules, and must abide by the standards established in Section 60 of this Act and the rules adopted for the implementation of this Act.

(8) Appropriate and ethical admissions and recruitment practices. At a minimum, recruiting practices must be ethical and abide by any State or federal rules.

(9) Recognized accreditation status. Accreditation with an accrediting body approved by the U.S. Department of Education may be counted as significant evidence of the institution's ability to meet curricular approval criteria.

(10) Meeting employment requirements in the field of study. The institution must clearly demonstrate how a student's completion of the program of study satisfies employment requirements in the occupational field. Such

information must be clearly and accurately provided to students. If licensure, certification, or their equivalent is required of program graduates to enter the field of employment, the institution must clearly demonstrate that completion of the program will allow students to achieve this status.

(11) Enrollment agreements that, at a minimum, meet the requirements outlined in Section 40 of this Act.

(12) Clearly communicated tuition and fee charges. Tuition and fees and any other expense charged by the school must be appropriate to the expected income that will be earned by graduates. No school may have a tuition policy or enrollment agreement that requires that a student register for more than a single semester, quarter, term, or other such period of enrollment as a condition of the enrollment nor shall any school charge a student for multiple periods of enrollment prior to completion of the single semester, quarter, term, or other such period of enrollment.

(13) Legal action against the institution, its parent company, its owners, its governing board, or its board members. Any such legal action must be provided to the Board and may be considered as a reason for denial or revocation of the permit of approval.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/37)

Sec. 37. Disclosures. All schools shall make, at a minimum, the disclosures required under this Section clearly and conspicuously on their Internet websites. The disclosure shall consist of a statement containing the following information for the most recent 12-month reporting period of July 1 through June 30:

- (1) The number of students who were admitted in the course of instruction as of July 1 of that reporting period.
- (2) Additions during the year due to:
 - (A) new starts;
 - (B) re-enrollments; and
 - (C) transfers into the course of instruction from other courses of instruction at the school.
- (3) The total number of students admitted during the reporting period (the number of students reported under paragraph (1) of this Section plus the additions reported under subparagraphs (A), (B), and (C) of paragraph (2) of this Section.
- (4) Of the total course of instruction enrollment, the number of students who:
 - (A) transferred out of the course of instruction to another course of instruction;
 - (B) completed or graduated from a course of instruction;
 - (C) withdrew from the school;
 - (D) are still enrolled.
- (5) The number of students listed in paragraph (4) of this Section who:
 - (A) were placed in their field of study;
 - (B) were placed in a related field;
 - (C) placed out of the field;
 - (D) were not available for placement due to personal reasons;
 - (E) were not employed.
- (6) The number of students who took a State licensing

examination or professional certification examination, if any, during the reporting period, as well as the number who passed.

(7) The number of graduates who obtained employment in the field who did not use the school's placement assistance during the reporting period; such information may be compiled by reasonable efforts of the school to contact graduates by written correspondence.

(8) The average starting salary for all school graduates employed during the reporting period; such information may be compiled by reasonable efforts of the school to contact graduates by written correspondence.

(9) The following clear and conspicuous caption, set forth with the address and telephone number of the Board's office:

"COMPLAINTS AGAINST THIS SCHOOL MAY BE REGISTERED WITH THE BOARD OF HIGHER EDUCATION."

(10) If the United States Department of Education places the school on either the Heightened Cash Monitoring 2 payment method or the reimbursement payment method, as authorized under 34 CFR 668.162, a clear and conspicuous disclosure that the United States Department of Education has heightened monitoring of the school's finances and the reason for such monitoring. Such disclosure shall be made within 14 days of the action of the United States Department of Education both on the school's website and to all students and prospective students on a form prescribed by the Board.

An alphabetical list of names, addresses, and dates of admission by course or course of instruction and a sample copy of the enrollment agreement employed to enroll the students listed shall be filed with the Board's Executive Director on an annual basis. The list shall be signed and verified by the school's chief managing employee.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/40)

Sec. 40. Enrollment agreements. A copy of the enrollment agreement must be provided to the Board. Enrollment agreements may be used by schools only if approved by the Board. The Board shall develop a standard enrollment agreement for use by schools approved or seeking approval under this Act. Schools may create an enrollment agreement that meets the minimum requirements of this Section, but it must be approved by the Board prior to implementation. The student must be given a copy of the enrollment agreement at the time the student signs that agreement and at the time of the agreement's acceptance, if those events occur at different times. The school shall retain a signed copy of the fully executed enrollment agreement as a part of the student's permanent record. No school may enter into an enrollment agreement wherein the student waives the right to assert against the school or any assignee any claim or defense he or she may have against the school arising under the agreement. Any provisions in an enrollment agreement wherein the student agrees to such a waiver shall be rendered void. Enrollment agreements shall include, at a minimum, a clear description of costs, refund policies, program information, all disclosures required by this Act, the Board's Internet website, the address and phone number of the Board for students to report complaints, and any additional information the Board may require by rule.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/45)

Sec. 45. Board approval. Each school approved by the Board under this Act is responsible for the content of any program offered. Issuance of the permit of approval does not denote that the school or any program offered by the school is recommended, guaranteed, or endorsed by the Board. Schools may not advertise or communicate to students or the public in any way that indicates endorsement of the school or any program by the Board. (Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/50)

Sec. 50. Requirements for approved institutions.

(a) Each school and each of the non-degree programs of study offered by the school shall be issued a permit of approval for one year. The permit shall be renewed annually and every fifth year pursuant to Section 75 of this Act, subject to the terms and conditions of approval, including without limitation the submission of required reporting and the payment of required charges and fees under the provisions of Section 75 of this Act, and compliance with any other requirements in this Act or supporting rules. Failure to so comply at any time is grounds for immediate revocation of the permit of approval. Information requested by the Board must be submitted annually or, in special circumstances, at the request of the Board. Failure to do so is grounds for immediate revocation of the permit of approval. Each non-degree program of study must be approved by the Board as well. Regardless of when the program was approved, all programs of study must be approved again with the institutional approval every 5 years or in conjunction with an earlier review if so required under this Act or the administrative rules adopted in support of this Act.

(b) Any school that is institutionally accredited by an accrediting agency that is recognized by the U.S. Department of Education or the Council for Higher Education Accreditation shall be issued a permit of approval valid for 5 years for each non-degree program of study offered by the school. The permit shall be subject to (i) the terms and conditions of approval, including, without limitation, the submission of required reporting, (ii) the payment of required charges and fees under the provisions of Section 75 of this Act, and (iii) compliance with any other requirements under this Act or administrative rule. The failure of a school to comply at any time during the 5-year term of the permit of approval shall be grounds for the immediate revocation of the permit of approval. Information requested by the Board must be submitted annually or, in certain circumstances, at the request of the Board. The failure of the school to submit the requested information shall be grounds for the immediate revocation of the permit of approval. Each non-degree program of study must be approved by the Board. Regardless of the date a school received initial approval of a program of study, all programs of study must be reapproved for a permit of approval at the end of each 5-year approval period or in conjunction with an earlier review if otherwise required by this Act or administrative rule.

(c) The Board may order any school subject to this Act to cease and desist operations if the school is found to have acted contrary to the standards set forth in this Act or administrative rule.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/55)

Sec. 55. Maintenance of approval. Institutions covered under this Act must meet the following requirements to receive and

maintain approval:

(1) Provide a surety bond. A continuous surety company bond, written by a company authorized to do business in this State, for the protection of contractual rights, including faithful performance of all contracts and agreements for students and their parents, guardians, or sponsors. The Board shall establish the bond amount by rule. The amount of the bond must be sufficient to provide for the repayment of full tuition to all students enrolled at the institution in the event of closure of the institution. Evidence of the continuation of the bond must be filed annually with the Board. The surety bond must be a written agreement that provides for monetary compensation in the event that the school fails to fulfill its obligations to its students and their parents, guardians, or sponsors. The surety bonding company shall guarantee the return to students and their parents, guardians, or sponsors of all prepaid, unearned tuition in the event of school closure. A condition of the bond shall be that the bond agent shall notify the Board in the event the bond is no longer in effect.

(2) Provide to the Board and each student the school's policy for addressing student complaints. Included in this process, the school must provide in its promotional materials and on its Internet website the Board's address and Internet website for reporting complaints.

(3) Provide on the institution's Internet website and in promotional materials and enrollment agreements the Internet website, address, and phone number of the Board for students to report complaints.

(4) Provide evidence of liability insurance, in such form and amount as the Board shall from time to time prescribe pursuant to rules adopted under this Act, to protect students and employees at the school's places of business and at all classroom extensions, including any work-experience locations.

(5) Provide data as requested by the Board to support the satisfaction of the requirements of this Act or to provide vocational and technical educational data for the longitudinal data system created under the P-20 Longitudinal Education Data System Act.

(6) Pay required fees as described under the provisions of Section 75 of this Act by prescribed deadlines.

(7) With respect to advertising programs of study, all of the following apply:

(A) A school may state that it is approved to offer a program of study or authorized to award a certificate in this State only after that approval has been officially granted and received in writing from the Board.

(B) A school shall not advertise or state in any manner that it is accredited by the Board to award degrees or certificates.

(C) No school may publish or otherwise communicate to prospective students, faculty, staff, or the public misleading or erroneous information about the certificate or degree-granting status of a given institution.

(D) All advertisements or solicitations by approved schools shall only reference the Board's approval by stating that the school is approved by the "Division of Private Business and Vocational Schools".

(E) All advertisements or solicitations by

approved schools shall contain the school's official Internet website address.

(8) Permit the Board's Executive Director or his or her designees to inspect the school or classes thereof from time to time with or without notice and to make available to the Board's Executive Director or his or her designees, at any time when required to do so, information, including financial information, pertaining to the operation and the activities of the school required for the administration of this Act and the standards and rules adopted under this Act.

(9) Maintain satisfactory student retention and graduation rates and State licensing examination or professional certification examination passage rates. Student retention and graduation rates must be maintained that are appropriate to standards in the field. A State licensing examination or professional certification examination passage rate of at least 50% of the average passage rate for schools within the industry for any State licensing examination or professional certification examination must be maintained. In the event that the school fails to do so, then that school shall be placed on probation for one year. If that school's passage rate in its next reporting period does not exceed 50% of the average passage rate of that class of school as a whole, then the Board shall revoke the school's approval for that program to operate in this State. In addition, this shall be grounds for reviewing the institution's approval to operate. The Board shall develop, by rule, a procedure to ensure the veracity of the information required under this Section.

(10) Not enter into an enrollment agreement wherein the student waives the right to assert against the school or any assignee any claim or defense he or she may have against the school arising under the agreement. Any provisions in an enrollment agreement wherein the student agrees to such a waiver shall be rendered void.

(11) Not have a tuition policy or enrollment agreement that requires that a student register for more than a single semester, quarter, term, or other such period of enrollment as a condition of the enrollment nor charge a student for multiple periods of enrollment prior to completion of a single semester, quarter, term, or other such period of enrollment.

(12) Provide the Board with a copy of any notice of warning or suspension or revocation received from an accrediting agency or State or federal oversight body within 15 days after receipt of the notice. The school shall, at the same time, inform the Board, in writing, on actions being taken to correct all deficiencies cited.

(13) Maintain a fair and equitable refund policy and abide by it. Such a policy shall abide by any State or federal rules as appropriate. The same policy shall apply to all students equally.

(14) Act in an ethical manner.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/60)

Sec. 60. Refund policy. The Board shall establish minimum standards for a fair and equitable refund policy that must be applied by all institutions subject to this Act. The same refund policy must be applied to all students even if they are not eligible for federal financial aid. Schools that are accredited by an accrediting body recognized by the U.S. Department of Education and approved to participate in offering Federal Title IV student financial aid may apply the required federal refund

policy as long as the same policy is applied to all students even if they are not eligible for federal financial aid.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/65)

Sec. 65. Prohibition against advertising a school or soliciting students without Board authorization. Prior to the issuance of a permit of approval by the Board, no person or organization shall advertise a school or any program of study or solicit prospective students unless the person or organization has applied for and received from the Board authorization to conduct such activity. If the Board has authorized such activity, all advertisements or solicitations must reference the Board's approval by stating that the school is approved by the "Division of Private Business and Vocational Schools of the Illinois Board of Higher Education".

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/70)

Sec. 70. Closing of a school.

(a) In the event a school proposes to discontinue its operations, the chief administrative officer of the school shall cause to be filed with the Board the original or legible true copies of all such academic records of the institution as may be specified by the Board.

(b) These records shall include, at a minimum, the academic records of each former student that is traditionally provided on an academic transcript, such as, but not limited to, courses taken, terms, grades, and other such information.

(c) In the event it appears to the Board that any such records of an institution discontinuing its operations is in danger of being lost, hidden, destroyed, or otherwise made unavailable to the Board, the Board may seize and take possession of the records, on its own motion and without order of court.

(d) The Board shall maintain or cause to be maintained a permanent file of such records coming into its possession.

(e) As an alternative to the deposit of such records with the Board, the institution may propose to the Board a plan for permanent retention of the records. The plan must be put into effect only with the approval of the Board.

(f) When a postsecondary educational institution now or hereafter operating in this State proposes to discontinue its operation, such institution shall cause to be created a teach-out plan acceptable to the Board, which shall fulfill the school's educational obligations to its students. Should the school fail to deliver or act on the teach-out plan, the Board is in no way responsible for providing the teach-out.

(f-5) The school shall release any institutional holds placed on any students record, regardless of the type of hold placed on the student record.

(g) The school and its designated surety bonding company are responsible for the return to students of all prepaid, unearned tuition. As identified in Section 55 of this Act, the surety bond must be a written agreement that provides for monetary compensation in the event that the school fails to fulfill its obligations. The surety bonding company shall guarantee the return to the school's students and their parents, guardians, or sponsors of all prepaid, unearned tuition in the event of school closure. Should the school or its surety bonding company fail to deliver or act to fulfill the obligation, the Board is in no way responsible for the repayment or any related damages or claims.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/75)

Sec. 75. Application and renewal fees. The Board may not approve any application for a permit of approval or program of study that has been plagiarized in part or whole and may return any such application for a permit of approval or program of study. Additionally, the Board may not approve any application for a permit of approval or program of study that has not been completed in its entirety. Fees for application and renewal may be set by the Board by rule. Fees shall be collected for all of the following:

(1) An original school application for a permit of approval.

(2) An initial school application for a permit of approval upon occurrence of a change of ownership.

(3) An annual school application for renewal of a certificate of approval.

(4) A school application for a change of location.

(5) A school application for a classroom extension.

(6) If an applicant school that has not remedied all deficiencies cited by the Board within 12 months after the date of its original application for a permit of approval, an additional original application fee for the continued cost of investigation of its application.

(7) Transcript processing.

(Source: P.A. 102-1046, eff. 6-7-22.)

(105 ILCS 426/80)

Sec. 80. Private Business and Vocational Schools Quality Assurance Fund. The Private Business and Vocational Schools Quality Assurance Fund is created as a special fund in the State treasury. All fees collected for the administration and enforcement of this Act must be deposited into this Fund. All money in the Fund must be used, subject to appropriation, by the Board to supplement support for the administration and enforcement of this Act and must not be used for any other purpose.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/85)

Sec. 85. Violations under the Act.

(a) The Board's Executive Director has the authority to order any school subject to this Act to cease and desist operations if the school is found to have acted contrary to the standards set forth in this Act or supporting rules.

(b) The Board's Executive Director shall, before refusing to issue or renew, and before revocation of any certificate or permit, at least 10 days prior to the date set for the hearing, notify in writing the applicant for or holder of a certificate or permit (the respondent) that a hearing shall be held on the date designated to determine whether the respondent is privileged to hold such certificate or permit, and shall afford the respondent an opportunity to be heard in person or by counsel in reference thereto. The written notice may be served by delivery of the same personally to the respondent, or by mailing the same by registered mail to the place of business last specified by the respondent in the last notification to the Board's Executive Director. At the time and place fixed in the notice, the Board's Executive Director or his or her designated hearing officer shall proceed to hear the charges and both the respondent and the complainant shall be accorded ample opportunity to present in person or by counsel such statements, testimony, evidence, and arguments as may be pertinent to the charges or to any defense thereto. The Board's Executive Director or his or her designated hearing officer may continue

such hearing from time to time. If the Board's Executive Director shall not be sitting at the time and place fixed in the notice or at the time and place to which the hearing shall have been continued, the Board's Executive Director or his or her designated hearing officer shall continue such hearing for a period not to exceed 30 days. Failure of the respondent to appear on the date set for hearing or failure to proceed as ordered by the Board's Executive Director or his or her designated hearing officer shall constitute a default and automatic revocation.

(c) The Board's Executive Director is authorized to subpoena and bring before a hearing officer any person or persons in this State and to take testimony either orally or by deposition or by exhibit, with the same fees and mileage and in the same manner as prescribed by law in judicial proceedings in civil cases in circuit courts of this State. The Board's Executive Director or the designated hearing officer shall administer oaths to witnesses at any hearing that the Board's Executive Director is authorized by law to conduct.

(d) Any circuit court, upon the application of the respondent or complainant or of the Board's Executive Director, may by order duly entered, require the attendance of witnesses and the production of relevant books and papers before any hearing the Board's Executive Director is authorized to conduct, and the court may compel obedience to its order by proceedings for contempt.

(e) The Board shall establish rules for the appeal of decisions to revoke the permit of approval. At a minimum, the rules shall include all of the following:

(1) The school must be notified of the revocation in writing through registered mail or other appropriate notification.

(2) The school has 10 business days after notification to request an appeal of the decision.

(3) The Board shall not be required to schedule a hearing and has the option to waive a hearing if the institution has not operated for one continuous, 12-month period or the institution has been abandoned; however, even in these cases, the Board shall be required to revoke the authority at a public hearing at which any opponent who is injured or impacted by the revocation must be given the opportunity to be heard.

(4) The Board shall designate a hearing officer, who shall schedule and conduct a hearing.

(5) The hearing officer shall make a final administrative decision, which decision may be reviewed judicially by the circuit court in accordance with subsection (f) of this Section.

(f) Any person affected by a final administrative decision of the Board's Executive Director may have such decision reviewed judicially by the circuit court of the county wherein the person resides, or in the case of a corporation, wherein the registered office is located. If the plaintiff in the review proceeding is not a resident of this State, the venue shall be in Sangamon County. The provisions of the Administrative Review Law, and all amendments and modifications thereof, and the rules adopted pursuant thereto, shall apply to and govern all proceedings for the judicial review of final administrative decisions of the Board's Executive Director. "Administrative decisions" has the same meaning as in Section 3-101 of the Code of Civil Procedure.

(g) Except for the violations enumerated in subsection (e) of this Section, any owner, operator, or authorized agent of a school who knowingly violates any provision of this Act is

guilty of a business offense.

(h) Any owner, operator, or authorized agent of a private business and vocational school who commits any of the following offenses is guilty of a Class A misdemeanor for the first offense and a Class 4 felony for the second or subsequent offense:

(1) Knowingly, and for the purpose of influencing or inducing a person to enroll in the program of study offered by the school, makes any false or misleading statements, misrepresentations, or false promises to the person regarding opportunities upon graduation from the school for (i) employment in a business, industry, or trade, (ii) admission to an institution of higher learning, or (iii) admission to an occupational licensing examination.

(2) Knowingly, and with intent to defraud, retains in excess of the school's refund policy prescribed in this Act any unearned tuition or fees paid by a student who has cancelled his or her enrollment agreement and is entitled to a refund.

(3) Knowingly, and with intent to defraud, misrepresents that any student who has cancelled his or her enrollment agreement is presently enrolled in the school, has completed the program of study, or has graduated from the school.

(4) Knowingly uses or attempts to use students in any commercial or manufacturing activity related to the operation of the school and to the school's advantage and profit, except to the extent that the school provides the student with practical experience supplemental to the course of instruction or except in the case of students who are employed by the school and compensated for such employment.

(i) The Board shall adopt rules to pursue resolution of complaints. At a minimum, the rules shall include all of the following:

(1) Student complaints must be submitted in writing to the Board.

(2) Board staff shall contact the school about the complaint by registered mail or other appropriate notification. The school has 10 business days to respond to the Board about the complaint. The Board shall provide a resolution determination to the school. The school may request a hearing about the proposed resolution within 10 business days after the delivery of the complaint by registered mail or other appropriate notification. If the school does not abide by the resolution determination, then the Board can issue a cease and desist order to the school. If the school does not comply with the cease and desist order, then the Board may revoke the school's permit of approval.

(3) The complaint may be forwarded to the institution's accrediting body.

(4) The Board shall annually issue a public report about the complaints received. At a minimum, the report shall include the institution, the nature of the complaint, and the current resolution status of the complaint. No individual student shall be named in the report.

(j) Upon application of the Board's Executive Director, the Attorney General or any State's Attorney, the Circuit Court of each county in which a violation of this Act or the rules and regulations has occurred, shall have jurisdiction to enjoin any violation thereof.

(k) The following acts or omissions by an owner, operator, or authorized agent of a private business and vocational school shall constitute violations of this Act and unlawful practices

pursuant to the Consumer Fraud and Deceptive Business Practices Act:

(1) False or misleading statements, misrepresentations, or false promises that have the tendency or capacity to influence or induce persons to enroll in the program of study offered by the school.

(2) Failure or refusal of the school to make the disclosures in advertising materials in the enrollment agreement and on its Internet website as required by this Act, or the making of false or inaccurate statements in such disclosures.

(3) Failure or refusal of the school to refund fees and unearned tuition, in accordance with the refund policy prescribed by this Act, to any student who cancels his or her enrollment agreement.

(4) Failure or refusal of the school to employ course instructors under conditions presented to the Board to satisfy the requirements of this Act or to provide the equipment, facilities, or services necessary to implement the program of study as presented to the Board to satisfy the requirements of the Act.

(l) Whenever the Attorney General or a State's Attorney receives a complaint against a private business and vocational school that alleges one or more of the violations enumerated in subsection (k) of this Section, he or she may conduct an investigation to determine the validity of the complaint and, if a violation or violations are found, may use any or all of the remedies, penalties, or authority granted to him or her by the Consumer Fraud and Deceptive Business Practices Act to correct such violations and enforce the provisions of this Act. Within 10 business days after receipt, the Board shall transmit to the Attorney General and the appropriate State's Attorney copies of complaints filed in the Board's office that allege one or more of the violations enumerated in subsection (k) of this Section.

(m) Any person who suffers damages as a result of a violation of this Act committed by a school or its representative may bring an action against the school. The court, in its discretion, may award actual damages, treble actual damages if fraud is proved, injunctive relief, and any other relief that the court deems proper.

Such action may be commenced in the county where the school is located or has its principal place of business or in the county where the transaction or any substantial portion thereof occurred.

In any action brought by a person under this Section, the court may award, in addition to the relief provided in this Section, reasonable attorney's fees and costs to the prevailing party.

Either party to an action under this Section may request a trial by jury.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/90)

Sec. 90. Rulemaking authority. The Board shall have rulemaking authority as necessary and appropriate to implement this Act. Rulemaking authority to implement this Act, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/500)

Sec. 500. (Amendatory provisions; text omitted).
(Source: P.A. 97-650, eff. 2-1-12; text omitted.)

(105 ILCS 426/505)

Sec. 505. (Amendatory provisions; text omitted).
(Source: P.A. 97-650, eff. 2-1-12; text omitted.)

(105 ILCS 426/510)

Sec. 510. (Amendatory provisions; text omitted).
(Source: P.A. 97-650, eff. 2-1-12; text omitted.)

(105 ILCS 426/515)

Sec. 515. (Amendatory provisions; text omitted).
(Source: P.A. 97-650, eff. 2-1-12; text omitted.)

(105 ILCS 426/520)

Sec. 520. (Amendatory provisions; text omitted).
(Source: P.A. 97-650, eff. 2-1-12; text omitted.)

(105 ILCS 426/525)

Sec. 525. (Amendatory provisions; text omitted).
(Source: P.A. 97-650, eff. 2-1-12; text omitted.)

(105 ILCS 426/900)

Sec. 900. The Private Business and Vocational Schools Act is repealed.
(Source: P.A. 97-650, eff. 2-1-12.)

(105 ILCS 426/999)

Sec. 999. Effective date. This Act takes effect February 1, 2012.
(Source: P.A. 97-650, eff. 2-1-12.)