

LEGISLATURE OF NEBRASKA  
NINETY-SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 489**

Introduced by Appropriations Committee: Wehrbein, 2, Chairperson;  
Beutler, 28; Brown, 6; Crosby, 29; Engel, 17;  
Kiel, 9; Lynch, 13; Matzke, 47; D. Pederson, 42

Read first time January 15, 1999

Committee: Appropriations

A BILL

1 FOR AN ACT relating to the Private Postsecondary Career School Act;  
2 to amend sections 85-1606, 85-1613, 85-1615, 85-1617,  
3 85-1624, 85-1643, and 85-1644, Revised Statutes  
4 Supplement, 1998; to provide for and change provisions  
5 relating to fees; to harmonize provisions; to provide an  
6 operative date; to repeal the original sections; and to  
7 declare an emergency.  
8 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 85-1606, Revised Statutes Supplement,  
2 1998, is amended to read:

3           85-1606. The ~~department shall have~~ board has the  
4 following powers and duties in the administration of the Private  
5 Postsecondary Career School Act:

6           (1) To establish minimum standards in conformity with  
7 section 85-1608, including quality of education, ethical and  
8 business practices, health and safety, and fiscal responsibility.  
9 Applicants for authorization to operate or for an agent's permit  
10 shall meet minimum standards before such authorization or permit  
11 may be issued or to continue such authorization or permit in  
12 effect. The standards to be developed under this subdivision shall  
13 be such as will effectuate the purposes of the act but will not  
14 unreasonably hinder legitimate educational innovation;

15           (2) To receive, investigate as it may deem necessary, and  
16 act upon applications for authorization to operate a private  
17 postsecondary career school and applications for an agent's permit;

18           (3) To maintain a list of private postsecondary career  
19 schools authorized to operate in this state and agents' permits  
20 which shall be available for the information of the public;

21           (4) To receive and cause to be maintained as a permanent  
22 file copies of records in conformity with section 85-1644; ~~and~~

23           (5) To establish fees for applications for authorization  
24 to operate, for agent's permits, and for accreditation. The fees  
25 shall be not more than the amount necessary to cover the cost of  
26 administration of the act; and

27           (6) To adopt and promulgate rules, regulations, and  
28 procedures necessary and appropriate for the conduct of its work

1 and the implementation of the act.

2           Sec. 2.     Section 85-1613, Revised Statutes Supplement,  
3 1998, is amended to read:

4           85-1613. The authorization to operate shall be in a form  
5 approved by the department and shall state in a clear and  
6 conspicuous manner at least the following information:

7           (1) The date of issuance, effective date, and term of the  
8 authorization;

9           (2) The full, correct name and address of the school so  
10 authorized;

11           (3) The authority for authorization and conditions  
12 thereof; and

13           (4) Any limitation of authorization as deemed necessary  
14 by the commissioner.

15           The term for which authorization is given shall not  
16 extend for more than one ~~calendar~~ fiscal year. For purposes of  
17 this section, fiscal year means the fiscal year established by the  
18 applicant school.

19           Sec. 3.     Section 85-1615, Revised Statutes Supplement,  
20 1998, is amended to read:

21           85-1615. Annual renewal of the authorization shall be  
22 required on a schedule established by the department. At least  
23 thirty days prior to the expiration of an authorization to operate  
24 and upon notification by the department, the school shall complete  
25 and file with the department an application form for renewal of its  
26 authorization to operate. Financial stability information shall  
27 accompany the application. The renewal application shall be  
28 reviewed and acted upon as provided for an initial application. No

1 authorization issued to any private postsecondary career school  
2 shall be renewed unless such school has been accredited by the  
3 department within five years of the date of its initial  
4 authorization to operate.

5           Sec. 4. Section 85-1617, Revised Statutes Supplement,  
6 1998, is amended to read:

7           85-1617. Any private postsecondary career school  
8 offering instruction in the State of Nebraska shall, within five  
9 years of its initial authorization to operate, apply to the  
10 department for the accreditation of such school. No private  
11 postsecondary career school shall be accredited unless it submits  
12 to the department a written application for accreditation in  
13 accordance with the rules and regulations adopted and promulgated  
14 by the department pursuant to the Private Postsecondary Career  
15 School Act. Such application shall be accompanied by the fee  
16 specified in the rules and regulations adopted and promulgated  
17 pursuant to section 85-1643.

18           Sec. 5. Section 85-1624, Revised Statutes Supplement,  
19 1998, is amended to read:

20           85-1624. The agent's permit shall be in a form approved  
21 by the department and shall state in a clear and conspicuous manner  
22 at least the following information:

- 23           (1) The date of issuance, effective date, and term;  
24           (2) The correct name and address of the agent; and  
25           (3) The school which such agent is authorized to  
26 represent.

27           The term for which an agent's permit is issued shall not  
28 extend for more than ~~one calendar year~~ three calendar years.

1           Sec. 6.   Section 85-1643, Revised Statutes Supplement,  
2 1998, is amended to read:

3           85-1643.   (1) The Private Postsecondary Career Schools  
4 Cash Fund is created. All fees collected pursuant to ~~this section~~  
5 the Private Postsecondary Career School Act shall be remitted by  
6 ~~the department~~ to the State Treasurer ~~who shall credit them to the~~  
7 General Fund for credit to the fund. The fund shall be used only  
8 for the purpose of administering the act. No fees shall be subject  
9 to refund.

10           (2) Fees collected pursuant to the act shall be  
11 established by the board, with prior approval by the advisory  
12 committee established pursuant to section 85-1607. Fees may be  
13 increased not more than five percent once each three years and  
14 shall be described in the rules and regulations governing the  
15 administration of the act. Fees may include, but shall not exceed,  
16 the following:

17           (a) Initial application for authorization to operate, two  
18 hundred dollars plus twenty dollars per program of study offered;

19           (b) Renewal application for authorization to operate, one  
20 hundred dollars plus twenty dollars per program of study offered;

21           (c) Approval to operate a branch facility, one hundred  
22 dollars;

23           (d) Late submission of application, fifty dollars;

24           (e) Initial agent's permit, fifty dollars;

25           (f) Agent's permit renewal, twenty dollars;

26           (g) Accreditation or reaccreditation, one hundred  
27 dollars;

28           (h) Initial authorization to award an associate degree,

1 one hundred dollars;

2 (i) Significant program change, fifty dollars;

3 (j) Change of name or location, twenty-five dollars; and

4 (k) Additional new program, one hundred dollars.

5 (3) Fees for schools domiciled or having their principal  
 6 place of residence outside the State of Nebraska may include, but  
 7 shall not exceed the following:

8 (a) Certificate of approval to recruit, five hundred  
 9 dollars annually;

10 (b) Initial agent's permit, one hundred dollars; and

11 (c) Agent's permit renewal, forty dollars. The fees  
 12 shall accompany an application for authorization to operate or an  
 13 agent's permit or for accreditation of courses in accordance with  
 14 the following schedule:

15 (1) The application fee for a private postsecondary  
 16 career school shall be fifty dollars;

17 (2) The fee for an agent's permit shall be twenty  
 18 dollars; and

19 (3) The fee for accreditation shall be fifty dollars.  
 20 The cost of onsite survey shall be borne by the school.

21 Sec. 7. Section 85-1644, Revised Statutes Supplement,  
 22 1998, is amended to read:

23 85-1644. If any private postsecondary career school now  
 24 or hereafter operating in this state proposes to discontinue its  
 25 operation, the chief administrative officer of such school shall  
 26 cause to be filed with the department the original or legible true  
 27 copies of all academic and financial aid transcripts and such other  
 28 records of the school as may be specified by the department. If

1 there is a change of ownership, the records shall be transferred  
2 intact and in good condition to the new owner and the transfer  
3 shall be verified by the department. The department shall maintain  
4 or cause to be maintained a permanent file of such records coming  
5 into its possession. A student requesting a copy of his or her  
6 transcripts which are on file may be charged a fee of ten dollars  
7 for each copy requested.

8           Sec. 8. This act becomes operative July 1, 1999.

9           Sec. 9. Original sections 85-1606, 85-1613, 85-1615,  
10 85-1617, 85-1624, 85-1643, and 85-1644, Revised Statutes  
11 Supplement, 1998, are repealed.

12           Sec. 10. Since an emergency exists, this act takes  
13 effect when passed and approved according to law.