

Original sponsor: Health, Education
and Social Services Committee

Offered: 5/4/77

1 IN THE HOUSE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR SENATE CS FOR HOUSE BILL NO. 312

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of educational
7 institutions."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 14.48.030 is repealed and re-enacted to read:

10 Sec. 14.48.030. EXEMPTIONS. (a) Institutions exclusively offer-
11 ing instruction at one, some or all levels from preschool through grade
12 12 are exempt from the provisions of this chapter.

13 (b) The following educational programs or services and educational
14 institutions are exempt from the provisions of this chapter or portions
15 of them, as determined by the commission:

16 (1) education sponsored by a bona fide trade, business,
17 labor, professional, or fraternal association or organization, recog-
18 nized by the commission and conducted solely for that association's or
19 organization's membership, or offered on a no-fee basis;

20 (2) education solely avocational or recreational in nature
21 and institutions offering avocational or recreational education exclu-
22 sively;

23 (3) education offered by charitable organizations, recognized
24 by the commission, if the education is not advertised or promoted as
25 leading toward educational credentials;

26 (4) nonprofit postsecondary educational institutions offering
27 undergraduate or graduate educational programs conducted in the state,
28 but not by correspondence, which are acceptable for credit toward an
29 associate, bachelor's or graduate degree;

1 (5) postsecondary educational institutions established,
2 operated, and governed by the United States, a state or its political
3 subdivisions.

4 * Sec. 2. AS 14.48.070(a) is amended to read:

5 (a) Each postsecondary educational institution desiring to operate
6 in this state shall apply to the commission, upon forms provided by the
7 commission. The application shall be accompanied by a catalog or
8 brochure published, or proposed to be published by the institution,
9 containing the information specified in sec. 60(b)(4) of this chapter.
10 The application shall also be accompanied by evidence of a surety bond
11 or other deposit as required by sec. 100 of this chapter, and by the
12 required fees.

13 * Sec. 3. AS 14.48.080(a) is amended to read:

14 (a) A person desiring to solicit or perform the services of an
15 agent, in this state, shall apply to the commission upon forms provided
16 by the commission. The application shall be accompanied by evidence of
17 the good reputation and character of the applicant and shall state the
18 institution which the applicant intends to represent. An agent repre-
19 senting more than one institution must obtain a separate agent's permit
20 for each institution represented. However, when an agent represents
21 institutions having a common ownership, only one agent's permit is
22 required. If an institution which the applicant intends to represent
23 does not have authorization to operate in this state, the application
24 shall be accompanied by the information required of institutions making
25 application for authorization. The application for an agent's permit
26 shall also be accompanied by evidence of a surety bond or other deposit
27 as required by sec. 100 of this chapter, and by payment of the required
28 fees.

29 * Sec. 4. AS 14.48.100(b) is amended to read:

1 (b) An application for an agent's permit shall be accompanied by a
2 surety bond in the amount determined by the commission to be [MINIMUM
3 AMOUNT OF \$10,000, OR A LARGER AMOUNT IF THE COMMISSION DETERMINES THAT
4 A LARGER AMOUNT IS] necessary for the protection of the students or
5 enrollees, or their parents or guardians, or classes thereof, or to
6 [BECAUSE THE BOND SHOULD BE INCREASED TO BETTER] reflect an institu-
7 tion's volume of business in the state. The bond shall be executed by
8 the applicant as principal and by a surety company qualified and autho-
9 rized to do business in this state. The bond shall be conditioned to
10 provide indemnification to any student, enrollee, or his or her parents
11 or guardian, or class thereof, determined to have suffered loss or
12 damage as a result of an act or practice which is a violation of this
13 chapter by the agent.

14 * Sec. 5. AS 14.48.100 is amended by adding a new subsection to read:

15 (e) In lieu of the surety bond required in (a) and (b) of this
16 section, the applicant may file with the commission a cash deposit or
17 other negotiable security, acceptable to the commission, in the amount
18 specified for bonds.

19 * Sec. 6. AS 14.07.020(6) is amended to read:

20 (6) accredit those public, private, and denominational
21 schools which meet accreditation standards prescribed by regulation by
22 the department; these regulations shall be adopted by the department and
23 presented to the legislature during the first 10 days of any regular
24 session, and become effective 45 days after presentation or at the end
25 of the session, whichever is earlier, unless disapproved by a resolution
26 concurred in by a majority of the members of each house;
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