

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 17-0236.01 Jane Ritter x4342

**HOUSE BILL 17-1239**

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**A BILL FOR AN ACT**

101      **CONCERNING THE NONSUBSTANTIVE RELOCATION OF LAWS RELATED**  
102              **TO PRIVATE OCCUPATIONAL SCHOOLS FROM TITLE 12,**  
103              **COLORADO REVISED STATUTES, AS PART OF THE**  
104              **ORGANIZATIONAL RECODIFICATION OF TITLE 12.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Committee on Legal Services.** Current law directs the office of legislative legal services to study the organizational recodification of title 12 of the Colorado Revised Statutes, which relates to professions and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
2nd Reading Unamended  
April 17, 2017

HOUSE  
3rd Reading Unamended  
April 4, 2017

HOUSE  
2nd Reading Unamended  
April 3, 2017

occupations. To implement the initial recommendations of the study:

- ! **Section 1** of the bill creates a new article 64 in title 23 of the Colorado Revised Statutes and relocates the repealed provisions of article 59 of title 12 of the Colorado Revised Statutes to that article 64;
- ! **Sections 2 through 19** of the bill make conforming amendments; and
- ! **Section 20** of the bill repeals article 59 of title 12 of the Colorado Revised Statutes.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add with amended**  
3 **and relocated provisions** article 64 to title 23 as follows:

4 **ARTICLE 64**

5 **Private Occupational Schools**

6 **23-64-101. [Formerly 12-59-101] Short title.** ~~This article shall be~~  
7 ~~known and may be cited as~~ THE SHORT TITLE OF THIS ARTICLE 64 IS the  
8 "Private Occupational Education Act of 1981".

9 **23-64-102. [Formerly 12-59-102] Legislative declaration.** (1) It  
10 is the purpose of this ~~article~~ ARTICLE 64 to provide standards for and to  
11 foster and improve private occupational schools and their educational  
12 services and to protect the citizens of this state against fraudulent or  
13 substandard private occupational schools by:

14 (a) Prohibiting the use of false or misleading literature,  
15 advertising, or representations by private occupational schools or their  
16 agents;

17 (b) Establishing accountability for private occupational schools  
18 and their agents through the setting of standards relative to the quality of  
19 educational services, fiscal responsibility, and ethical business practices;

20 (c) Providing for the preservation of essential records;

1 (d) Providing certain rights and remedies to the private  
2 occupational school division, the private occupational school board  
3 created in ~~section 12-59-105.~~ SECTION 23-64-107, and the consuming  
4 public necessary to effectuate the purposes of this ~~article~~ ARTICLE 64;

5 (e) Providing for the authorization of appropriate educational  
6 credentials by approved schools, including, but not limited to, certificates,  
7 diplomas, and associate degrees; and

8 (f) Providing train-out for students of private occupational schools  
9 ceasing operation.

10 (2) To these ends, this article shall be liberally construed.

11 **23-64-103. [Formerly 12-59-103] Definitions.** As used in this  
12 ~~article~~ ARTICLE 64, unless the context otherwise requires:

13 (1) "Administrative law judge" means a person, appointed by the  
14 authority from a list provided by the attorney general, who shall conduct  
15 hearings on any matter ~~which~~ THAT is within the jurisdiction of the  
16 division and ~~which~~ THAT is referred to ~~such~~ THE administrative law judge  
17 by the division.

18 ~~(1.5)~~ (2) "Agent" means any person owning any interest in,  
19 employed by, or representing for remuneration or other consideration a  
20 private occupational school located within or without this state who  
21 enrolls or who, in places other than the principal school premises, offers  
22 or attempts to secure the enrollment of any person within this state for  
23 education in a school.

24 ~~(2)~~ (3) "Agent's permit" means a nontransferable written  
25 authorization issued to an agent pursuant to the provisions of this ~~article~~  
26 ARTICLE 64 by the division upon approval by the executive director.

27 ~~(2.5)~~ (4) "Associate degree" means a degree offered by a school

1 on the successful completion of the degree requirements as established by  
2 the division.

3 ~~(2.6)~~ (5) "Board" means the private occupational school board  
4 created in ~~section 12-59-105.~~ SECTION 23-64-107.

5 ~~(2.7)~~ (6) "Ceasing operation" means the voluntary discontinuation  
6 of operation by a private occupational school or the discontinuation of  
7 operation by a private occupational school due to the denial, expiration,  
8 revocation, or suspension of ~~such~~ THE school's certificate of approval by  
9 the division.

10 ~~(2.8)~~ (7) "Certificate" means an award for the successful  
11 completion of a specific course or program objective.

12 ~~(3)~~ (8) "Certificate of approval" means a written authorization  
13 issued by the division, upon approval by the executive director, to the  
14 principal owners of a school in the name of ~~such~~ THE school, pursuant to  
15 the provisions of this ~~article~~ ARTICLE 64, to operate a school in this state.

16 ~~(3.5)~~ (9) "Diploma" means an award for the successful completion  
17 of an approved prescribed program of study in a particular field of  
18 endeavor.

19 ~~(3.6)~~ (10) "Director" means the director of the private  
20 occupational school division created pursuant to ~~section 12-59-104.~~  
21 SECTION 23-64-105.

22 ~~(3.7)~~ (11) "Division" means the private occupational school  
23 division created pursuant to ~~section 12-59-104.~~ SECTION 23-64-105.

24 ~~(4)~~ (12) "Educational credentials" means certificates, diplomas,  
25 associate degrees, transcripts, reports, numbers, or words ~~which~~ THAT  
26 signify or are generally taken to signify enrollment, attendance, progress,  
27 or satisfactory completion of the requirements for education at a school.

1           ~~(5)~~ (13) "Educational services" or "education" includes, but is not  
2 limited to, any class, course, or program of training, instruction, or study  
3 ~~which~~ THAT is designed or is purported to meet all or part of the  
4 requirements for employment in an agricultural, trade, industrial,  
5 technical, business, office, sales, service, or health occupation and ~~which~~  
6 constitutes occupational education.

7           ~~(6)~~ (14) "Entity" includes, but is not limited to, any person,  
8 society, association, partnership, corporation, or trust.

9           ~~(7)~~ (15) "Executive director" means the executive director of the  
10 department of higher education appointed pursuant to section 23-1-110  
11 (2). ~~C.R.S.~~

12           ~~(8)~~ (16) "New school" means a private occupational school that  
13 does not hold an existing certificate of approval as of June 30, 1981, or  
14 a school holding an existing certificate of approval as of June 30, 1981,  
15 ~~which~~ THAT subsequently expires pursuant to the provisions of ~~section~~  
16 ~~12-59-108 (4)~~ SECTION 23-64-114 (4) or is revoked or denied pursuant to  
17 the provisions of this ~~article~~ ARTICLE 64.

18           ~~(8.5)~~ (17) "Occupational education" means any education  
19 designed to facilitate the vocational, technical, or occupational  
20 development of individual persons, including, but not limited to,  
21 vocational or technical training or retraining ~~which~~ THAT is given in  
22 schools or classes, including field or laboratory work incident thereto,  
23 ~~which~~ THAT is conducted as a part of a program designed to fit  
24 individuals for gainful employment as semiskilled or skilled workers or  
25 technicians in recognized occupations requiring less than a four-year  
26 baccalaureate degree. The term also includes instruction related to the  
27 occupation for which the person is being trained or ~~which~~ THAT is

1 necessary for him OR HER to benefit from ~~such~~ THE training.

2 ~~(9)~~ (18) "Offer" or "offering" includes, in addition to its usual  
3 meaning, advertising, publicizing, soliciting, or encouraging any person  
4 in any manner to perform the act described.

5 ~~(10)~~ (19) "Operate" or "operating", when used with respect to a  
6 school, means to establish, keep, or maintain any facility or location in  
7 this state where, from, or through which educational services are offered  
8 or educational credentials are offered or granted.

9 ~~(11)~~ (20) "Private occupational school" or "school" means any  
10 entity or institution for profit or not for profit located within or without  
11 this state ~~which~~ THAT offers educational credentials or educational  
12 services that constitute occupational education in this state and ~~which~~  
13 THAT is not specifically exempt from the provisions of this ~~article~~  
14 ARTICLE 64.

15 ~~(12) Repealed.~~

16 ~~(13)~~ (21) "Train-out" means the opportunity for a student of a  
17 private occupational school ceasing operation to meet ~~such~~ THE student's  
18 educational objectives through training provided by another approved  
19 private occupational school, a community college, an area technical  
20 college, or any other training arrangement acceptable to the division.

21 **23-64-104. [Formerly 12-59-104] Exemptions.** (1) The  
22 following educational institutions and educational services are exempt  
23 from the provisions of this ~~article~~ ARTICLE 64:

24 (a) A public school or public educational institution funded  
25 wholly or in part by a local school district or school districts or by direct  
26 appropriation from the state to a school, public educational institution, or  
27 board;

1 (b) A nonprofit school owned, controlled, operated, and  
2 maintained by a bona fide parochial or denominational institution exempt  
3 from general property taxation under the laws of this state;

4 (c) A school offering education solely avocational, supplementary,  
5 or ancillary in nature;

6 (d) A college or university ~~which~~ THAT:

7 (I) Confers four-year baccalaureate or higher degrees; and

8 (II) Offers programs or courses in this state, the majority of which  
9 are not occupational in nature, as defined by the division, or are at the  
10 graduate level;

11 ~~(e) Repealed.~~

12 ~~(f)~~ (e) A private school providing a basic academic education  
13 comparable to that provided in public elementary and secondary schools  
14 of this state;

15 ~~(g)~~ (f) A school offering only educational services for which no  
16 money or other consideration is paid;

17 ~~(h)~~ (g) A school offering only educational services to an employer  
18 for the training of its employees;

19 ~~(i)~~ (h) Education offered by a bona fide trade, business,  
20 professional, or fraternal organization that primarily benefits the  
21 organization's membership or mission;

22 ~~(j)~~ (i) Educational services offered by an employer for the training  
23 of its own employees;

24 ~~(k)~~ (j) Apprenticeship training registered pursuant to state or  
25 federal law;

26 ~~(l)~~ (k) Educational services offered by an approved school ~~which~~  
27 THAT:

1 (I) Do not require the payment of money or other consideration;

2 (II) Are avocational, supplementary, or ancillary in nature; or

3 (III) Are offered only to an employer for the training and  
4 preparation of his OR HER employees;

5 ~~(m)~~ (l) Nurse aide training programs approved pursuant to section  
6 12-38.1-108 (1);

7 ~~(n)~~ (m) Flight schools that are approved and regulated by the  
8 federal aviation administration;

9 ~~(o)~~ ~~(Deleted by amendment, L. 2009, (HB 09-1033), ch. 17, p. 93,~~  
10 ~~§ 1, effective August 5, 2009.)~~

11 ~~(p)~~ Repealed.

12 ~~(q)~~ (n) A private educational institution that is accredited by an  
13 agency recognized by the United States department of education, that  
14 confers post-graduate degrees, and that offers programs or courses that  
15 are not defined as occupational education pursuant to ~~section 12-59-103~~  
16 ~~(8.5)~~ SECTION 23-64-103 (17);

17 ~~(r)~~ (o) A continuing professional education program that meets the  
18 requirements for maintaining or renewing a professional license issued by  
19 a Colorado state professional licensing entity so long as the continuing  
20 professional education program or the organization that provides the  
21 program is approved by the Colorado state professional licensing entity  
22 either before or after a licensee attends the program. To qualify for the  
23 exemption created in this ~~paragraph (r)~~ SUBSECTION (1)(o), a continuing  
24 professional education program must be consistent with the purposes or  
25 requirements of the organization that provides the program.

26 ~~(s)~~ (p) Yoga teacher training courses, programs, and schools.

27 **23-64-105. [Formerly 12-59-104.1] Private occupational school**



1 **division - creation.** There is hereby created the private occupational  
2 school division in the department of higher education and the office of  
3 director of the division. The division and the director shall exercise their  
4 powers and perform their duties and functions specified in this ~~article~~  
5 ARTICLE 64 under the department of higher education and the executive  
6 director thereof as if the same were transferred to the department by a  
7 **type 2** transfer as such transfer is defined in the "Administrative  
8 Organization Act of 1968", article 1 of title 24. ~~C.R.S.~~ The director shall  
9 be appointed by the executive director. The director, with the approval of  
10 the executive director, shall employ such professional and clerical  
11 personnel as deemed necessary to carry out the duties and function of the  
12 division. The director and professional personnel are declared to hold  
13 educational offices and to be exempt from the state personnel system.

14 **23-64-106. [Formerly 12-59-105] Powers and duties of**  
15 **division.** (1) The division shall have, in addition to the powers and duties  
16 now vested therein by law, the following powers and duties:

17 ~~(a) to (c) (Deleted by amendment, L. 98, p. 36, § 8, effective~~  
18 ~~March 17, 1998.)~~

19 ~~(d)~~ (a) To publish a list of schools and maintain a list of agents  
20 authorized to operate in this state under the provisions of this ~~article~~  
21 ARTICLE 64;

22 ~~(e)~~ (b) To receive or cause to be maintained as a permanent file,  
23 in conformity with ~~section 12-59-119~~ SECTION 23-64-125, copies of  
24 educational, financial, and other records;

25 ~~(f) to (j) (Deleted by amendment, L. 98, p. 36, § 8, effective~~  
26 ~~March 17, 1998.)~~

27 ~~(k)~~ (c) To negotiate and enter into interstate reciprocity

1 agreements with similar agencies in other states whenever, in the  
2 judgment of the division and the board, such agreements are or will be  
3 helpful in effectuating the purposes of this ~~article~~ ARTICLE 64; except that  
4 nothing contained in any such reciprocity agreement shall be construed  
5 as limiting the division's powers, duties, and responsibilities with respect  
6 to investigating or acting upon any application for a certificate of  
7 approval for a private occupational school or an application for issuance  
8 of or renewal of any agent's permit or with respect to the enforcement of  
9 any provision of this ~~article~~ ARTICLE 64 or any of the rules promulgated  
10 under this ~~article~~ ARTICLE 64.

11 ~~(l) to (n) (Deleted by amendment, L. 98, p. 36, § 8, effective~~  
12 ~~March 17, 1998.)~~

13 **23-64-107. [Formerly 12-59-105.1] Private occupational school**  
14 **board - established - membership.** (1) Effective June 30, 1998, the  
15 private occupational school policy advisory committee is abolished, and  
16 the terms of members of the advisory committee serving as such  
17 immediately prior to June 30, 1998, are terminated.

18 (2) Effective July 1, 1998, there is established, in the private  
19 occupational school division, the private occupational school board that  
20 shall advise the director on the administration of this ~~article~~ ARTICLE 64  
21 and shall have the powers and duties specified in ~~section 12-59-105.3~~  
22 SECTION 23-64-108. The board shall exercise its powers and perform its  
23 duties and functions specified in this ~~article~~ ARTICLE 64 as if the same  
24 were transferred to the department of higher education by a **type 1**  
25 transfer, as such transfer is defined in the "Administrative Organization  
26 Act of 1968", article 1 of title 24. ~~C.R.S.~~

27 (3) The board shall consist of seven members appointed by the

1 governor, with the consent of the senate, as follows:

2 (a) Three members shall be owners or operators of private  
3 occupational schools that receive Title IV funds;

4 (b) Four members shall be representatives of the general public,  
5 at least one of whom is employed by a lending institution located in  
6 Colorado and is familiar with federal loans and funds authorized in Title  
7 IV of the federal "Higher Education Act of 1965", as amended, and at  
8 least two of whom are owners or operators of businesses within Colorado  
9 that employ students who are enrolled in schools that are subject to  
10 administration by the division.

11 (4) No appointed member shall be an employee of any junior  
12 college, community or technical college, school district, or public agency  
13 that receives vocational funds allocated by any state agency.

14 (5) (a) The board members shall serve four-year terms; except  
15 that, of the members first appointed to the board, three members to be  
16 selected by the governor shall serve two-year terms. A member shall not  
17 serve more than two consecutive four-year terms.

18 (b) Notwithstanding the provisions of ~~paragraph (a) of this~~  
19 ~~subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION, of the three members  
20 appointed to replace persons whose terms expire on June 30, 2012, one  
21 member selected by the governor shall serve a two-year term, one  
22 member selected by the governor shall serve a three-year term, and one  
23 member selected by the governor shall serve a four-year term. Subsequent  
24 appointments to the positions identified in this ~~paragraph (b)~~ SUBSECTION  
25 (5)(b) shall serve four-year terms.

26 (c) Notwithstanding the provisions of ~~paragraph (a) of this~~  
27 ~~subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION, of the four members

1 appointed to replace persons whose terms expire on June 30, 2014, one  
2 member selected by the governor shall serve a one-year term, one  
3 member selected by the governor shall serve a two-year term, one  
4 member selected by the governor shall serve a three-year term, and one  
5 member selected by the governor shall serve a four-year term. Subsequent  
6 appointments to the positions identified in this ~~paragraph (c)~~ SUBSECTION  
7 (5)(c) shall serve four-year terms.

8 (6) The board shall hold regular meetings at such times as it may  
9 deem appropriate, but it shall not meet less than four times per year.

10 (7) Board members shall be paid a per diem of thirty-five dollars  
11 for each day on which the board meets and their actual and necessary  
12 expenses incurred in the conduct of official business.

13 (8) The division shall provide any necessary staff assistance for  
14 the board.

15 **23-64-108. [Formerly 12-59-105.3] Powers and duties of board**  
16 **- rules.** (1) The board shall have the following powers and duties:

17 (a) To establish minimum criteria in conformity with ~~section~~  
18 ~~12-59-106~~ SECTION 23-64-112, including quality of education, ethical  
19 business practices, and fiscal responsibility, ~~which~~ THAT an applicant for  
20 a certificate of approval shall meet before ~~such~~ THE certificate of approval  
21 may be issued and continued in effect. The criteria to be developed under  
22 this section shall be such as will effectuate the purposes of this ~~article~~  
23 ARTICLE 64.

24 (b) To establish minimum criteria in conformity with ~~section~~  
25 ~~12-59-106~~ ~~which~~ SECTION 23-64-112 THAT an applicant for an agent's  
26 permit shall meet before ~~such~~ THE agent's permit may be issued and  
27 continued in effect. The criteria to be developed under this section shall

- 1 be such as will effectuate the purposes of this ~~article~~ ARTICLE 64.
- 2 (c) To consult with the division regarding interstate reciprocity  
3 agreements;
- 4 (d) To receive, investigate, and evaluate, as it deems necessary,  
5 and act upon applications for certificates of approval, agents' permits, and  
6 changes of ownership;
- 7 (e) To require the posting of appropriate notices on the school  
8 premises notifying students of any school closure by operation of law or  
9 otherwise;
- 10 (f) To investigate, as it deems necessary, any entity subject to, or  
11 reasonably believed by the board to be subject to, the jurisdiction of this  
12 ~~article~~ ARTICLE 64 and, in connection therewith, to subpoena any persons,  
13 books, records, or documents pertaining to ~~such~~ THE investigation; to  
14 require answers in writing, under oath, to questions propounded by the  
15 board; and to administer an oath or affirmation to any person in  
16 connection with any such investigation. ~~Such~~ THE investigation may  
17 include the physical inspection of school facilities and records. ~~Said~~ THE  
18 subpoena shall be enforceable by any court of record of this state.
- 19 (g) To deny or revoke the agent's permit of an agent of an  
20 out-of-state school determined not to be in compliance with this ~~article~~  
21 ARTICLE 64;
- 22 (h) To appoint administrative law judges to conduct hearings on  
23 any matter within the jurisdiction of the board, which shall include the  
24 conduct of hearings in aid of any investigation or inquiry pursuant to  
25 ~~paragraph (f) of this subsection (1)~~ SUBSECTION (1)(f) OF THIS SECTION;
- 26 ~~(i) Repealed.~~
- 27 ~~(j)~~ (i) To promulgate rules and to adopt procedures necessary or

1 appropriate for the conduct of its work and the implementation of this  
2 ~~article~~ ARTICLE 64;

3 ~~(k)~~ (j) To establish educational standards and requirements for the  
4 awarding of appropriate educational credentials by private occupational  
5 schools;

6 ~~(h)~~ (k) To exercise other powers and duties implied, but not  
7 enumerated, in this section ~~which~~ THAT, in the judgment of the board, are  
8 necessary in order to carry out the provisions of this ~~article~~ ARTICLE 64;

9 ~~(m)~~ (l) To designate, by category of instruction, those schools that  
10 teach students under sixteen years of age for which instructional staff and  
11 prospective instructional staff, as defined by board rule, shall be required  
12 to submit a complete set of fingerprints pursuant to ~~section 12-59-105.7~~  
13 SECTION 23-64-110;

14 ~~(n)~~ (m) To prescribe uniform academic reporting policies and  
15 procedures to which a private occupational school shall adhere.

16 **23-64-109. [Formerly 12-59-105.4] Duties of private**  
17 **occupational schools.** A private occupational school shall provide the  
18 division with such data as the board deems necessary upon written request  
19 of the board. Data pertaining to individual students or personnel shall not  
20 be divulged or made known in any way by a member of the board, by the  
21 director, or by any division or school employee, except in accordance  
22 with judicial order or as otherwise provided by law. A person who  
23 violates this section commits a class 1 misdemeanor and shall be punished  
24 as provided in section 18-1.3-501. ~~C.R.S.~~ In addition, ~~such~~ THE person  
25 shall be subject to removal or dismissal from public service on grounds  
26 of malfeasance in office.

27 **23-64-110. [Formerly 12-59-105.7] Submittal of fingerprints**

1 **for persons teaching at designated schools - fingerprint-based**  
2 **criminal history record checks - prerequisite for commencing or**  
3 **continuing employment.** (1) (a) Instructional staff or prospective

4 instructional staff who may be teaching students in a school designated  
5 by the board pursuant to ~~section 12-59-105.3 (1) (m)~~ SECTION 23-64-108  
6 (1)(l) shall, beginning July 1, 2006, in order to commence or continue  
7 employment at a designated school, submit a set of his or her fingerprints  
8 to the Colorado bureau of investigation for the purpose of conducting a  
9 state and national fingerprint-based criminal history record check utilizing  
10 records of the Colorado bureau of investigation and the federal bureau of  
11 investigation. Nothing in this section shall preclude the board from  
12 making further inquiries into the background of instructional staff or  
13 prospective instructional staff. Instructional staff or prospective  
14 instructional staff shall pay the fee established by the Colorado bureau of  
15 investigation for conducting the fingerprint-based criminal history record  
16 check. Upon completion of the criminal history record check, the bureau  
17 shall forward the results to the board. The board shall conduct a review  
18 of the results of the criminal history record check forwarded by the  
19 bureau and consider the results in assessing whether instructional staff or  
20 prospective instructional staff meet minimum standards of qualification,  
21 as established by the board pursuant to ~~section 12-59-106~~ SECTION  
22 23-64-112, necessary to commence or continue employment at the  
23 designated school.

24 (b) Instructional staff or prospective instructional staff shall be  
25 required to resubmit a set of his or her fingerprints pursuant to ~~paragraph~~  
26 ~~(a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION even if he  
27 or she previously submitted his or her fingerprints pursuant to ~~paragraph~~

1 ~~(a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION.

2 (2) In addition to any other requirements established by the board  
3 for the necessary qualifications of instructional staff or prospective  
4 instructional staff, the submittal of fingerprints pursuant to subsection (1)  
5 of this section and results consistent with the minimum standards of  
6 qualification established by the board pursuant to ~~section 12-59-106~~  
7 SECTION 23-64-112 shall be a prerequisite to commencing or continuing  
8 employment as instructional staff who may be teaching students in a  
9 school designated by the board pursuant to ~~section 12-59-105.3 (1) (m)~~  
10 SECTION 23-64-108 (1)(l).

11 **23-64-111. [Formerly 12-59-105.9] Duties and powers of the**  
12 **division subject to approval of the executive director.** The division  
13 shall exercise all of the powers and duties set forth in ~~section 12-59-105~~  
14 SECTION 23-64-106. The executive director shall review and approve,  
15 consistent with the institutional role and statewide needs, any action taken  
16 by the division pursuant to the powers and duties set forth in ~~section~~  
17 ~~12-59-105~~ SECTION 23-64-106; except that the participation of the  
18 executive director shall not be required in any action taken by the board.

19 **23-64-112. [Formerly 12-59-106] Minimum standards.** (1) In  
20 establishing the criteria required by ~~section 12-59-105.3 (1) (a), (1) (b),~~  
21 ~~and (1) (k)~~ SECTION 23-64-108 (1)(a), (1)(b), AND (1)(j), the board shall  
22 observe and require compliance with at least the following minimum  
23 standards for all schools:

24 (a) That the school can demonstrate that it has sufficient financial  
25 resources to:

- 26 (I) Fulfill its commitments to students;
- 27 (II) Make refunds of tuition and fees to the extent and in the



1 manner set forth in this ~~article~~ ARTICLE 64; and

2 (III) Meet the school's financial obligations;

3 (b) That the school shall furnish and maintain surety bonds as

4 required by this ~~article~~ ARTICLE 64;

5 (c) That the educational services are such as will adequately

6 achieve the stated objectives for which the educational services are

7 offered;

8 ~~(I) to (V) (Deleted by amendment, L. 81, p. 844, § 6, effective~~

9 ~~July 1, 1981.)~~

10 (d) That the school has adequate facilities, equipment,

11 instructional materials, instructional staff, and other personnel to provide

12 educational services necessary to meet the stated objectives for which the

13 educational services are offered;

14 (e) That the education and experience qualifications of

15 administrators, instructional staff, and other personnel are such as will

16 adequately ensure that the students will receive educational services

17 consistent with the stated objectives for which the educational services

18 are offered;

19 (f) That the school provides each prospective student with a

20 school catalog and other printed information describing the educational

21 services offered and describing entrance requirements, program

22 objectives, length of programs, schedule of tuitions, fees, all other

23 charges and expenses necessary for the completion of the program of

24 study, cancellation and refund policies, and such other material facts

25 concerning the school and the program of instruction that are likely to

26 affect the decision of a student to enroll therein as required by the board

27 and that ~~such~~ THE information is provided to a prospective student prior

1 to the commencement of classes and the execution of any enrollment  
2 agreement or contract;

3 (g) That, upon satisfactory completion of training, the student is  
4 given appropriate educational credentials by ~~said~~ THE school; except that  
5 the school may require the payment of all tuition and fees due at the time  
6 of completion;

7 (h) That adequate educational, financial, and other records are  
8 maintained by the school;

9 (i) That the school adheres to procedures, standards, and policies  
10 set forth in the school catalog and other printed materials;

11 (j) That the school is maintained and operated in compliance with  
12 all pertinent ordinances and laws, including rules ~~and regulations~~ adopted  
13 pursuant thereto, relative to the health and safety of all persons upon the  
14 premises;

15 (k) That neither the school nor its agents have violated the  
16 prohibitions as set forth in ~~section 12-59-107~~ SECTION 23-64-113 or have  
17 engaged in deceptive trade or sales practices as set forth in ~~section~~  
18 ~~12-59-117~~ SECTION 23-64-123;

19 (l) That the principal owners, officers, agents, administrators, and  
20 instructors are of good reputation and free from moral turpitude;

21 (m) That the school provides the student with a copy of the  
22 executed enrollment agreement or contract, at the time of enrollment,  
23 ~~which~~ THAT complies with this ~~article~~ ARTICLE 64;

24 (n) That the school adheres to a policy for the cancellation,  
25 settlement, and refund of tuition and fees ~~which~~ THAT complies with this  
26 ~~article~~ ARTICLE 64;

27 (o) That an out-of-state school shall maintain records ~~which~~ THAT

1 include, but are not limited to, a list of the name and address of each  
2 student enrolled from within this state and that ~~such~~ THE records shall be  
3 made available to the board upon request;

4 (p) That the school shall submit to the board the name and  
5 Colorado address of a designated agent upon whom any process, notice,  
6 or demand may be served and that ~~such~~ THE agent shall be maintained  
7 continuously. Nothing contained in this section shall limit or affect the  
8 right to serve any process, notice, or demand required or permitted by law  
9 to be served upon a foreign corporation in any other manner now or  
10 hereafter permitted by law.

11 (q) That the school or agent shall have paid any restitution  
12 required by ~~section 12-59-118~~ SECTION 23-64-124 and any civil penalties  
13 assessed pursuant to ~~section 12-59-121~~ SECTION 23-64-127;

14 (r) That an agent shall represent only a school that meets the  
15 minimum standards set forth in this section and the criteria established  
16 pursuant to ~~section 12-59-105.3~~ SECTION 23-64-108;

17 (s) That the school shall not deny enrollment of a student or make  
18 any distinction or classification of students on account of race, color,  
19 creed, religion, national origin, ancestry, sex, sexual orientation, or  
20 marital status.

21 ~~(2) Repealed.~~

22 **23-64-113. [Formerly 12-59-107] Prohibitions.** (1) No entity of  
23 whatever kind, alone or in concert with others, shall:

24 (a) Operate in this state a school not exempt from the provisions  
25 of this ~~article~~ ARTICLE 64 unless ~~said~~ THE school holds a valid certificate  
26 of approval issued pursuant to the provisions of this ~~article~~ ARTICLE 64;

27 (b) Offer educational services in or grant educational credentials

1 from a school located within or without this state unless ~~said~~ THE agent  
2 holds a valid agent's permit issued pursuant to the provisions of this  
3 ~~article~~ ARTICLE 64; except that the board may promulgate rules to permit  
4 the rendering of legitimate public information services without such  
5 permit;

6 (c) Accept contracts or enrollment agreements from an agent who  
7 does not hold a valid agent's permit issued pursuant to the provisions of  
8 this ~~article~~ ARTICLE 64;

9 (d) Award educational credentials without requiring the  
10 completion of any education.

11 ~~(e) (Deleted by amendment, L. 98, p. 41, § 12, effective March 17,~~  
12 ~~1998.)~~

13 **23-64-114. [Formerly 12-59-108] Application for certificate of**  
14 **approval.** (1) Any entity desiring to operate a private occupational  
15 school in this state shall make application for a certificate of approval to  
16 the board upon forms to be provided by the board. ~~Said~~ THE application  
17 shall include at least the following:

18 (a) A catalog published or proposed to be published by the school  
19 containing the information specified in the criteria promulgated by the  
20 board;

21 (b) A description of the school's placement assistance, if any;

22 (c) Documentation necessary to establish the applicant's financial  
23 stability as required by the minimum standards and bond provisions  
24 specified in this ~~article~~ ARTICLE 64;

25 (d) Copies of media advertising and promotional literature;

26 (e) Copies of all student enrollment agreement or contract forms  
27 and instruments evidencing indebtedness;

1 (f) A surety bond as required by this ~~article~~ ARTICLE 64;

2 (g) A fee as required by this ~~article~~ ARTICLE 64;

3 (h) The name and Colorado address of a designated agent upon  
4 whom any process, notice, or demand may be served.

5 (2) Each application shall be signed and certified to under oath by  
6 the owner or his OR HER authorized designee.

7 (3) The board shall not be required to act upon an application until  
8 such time as an application is submitted as set forth in this section.

9 (4) An application submitted by a school ~~which~~ THAT holds a  
10 valid certificate of approval shall be submitted on or before February 15  
11 immediately prior to the expiration of ~~said~~ THE certificate of approval. If  
12 ~~such~~ THE application as set forth in subsection (1) of this section is not  
13 submitted as set forth in this section, the school's existing certificate of  
14 approval shall expire on June 30 by operation of law, and any such  
15 application submitted after February 15 shall be treated as an application  
16 submitted by a new school.

17 (5) The board shall not be required to act upon an application  
18 submitted by a school whose certificate of approval has been revoked or  
19 denied by a final nonappealable order of the board for a period of twelve  
20 months subsequent to ~~said~~ THE revocation or denial. Notwithstanding that  
21 an order of revocation or denial may be subject to judicial review, ~~said~~  
22 THE school shall otherwise comply with and be subject to the provisions  
23 of this ~~article~~ ARTICLE 64; except that ~~said~~ THE school shall not be  
24 required to submit an application as required by this section.

25 **23-64-115. [Formerly 12-59-109] Issuance of certificate of**  
26 **approval.** (1) Following the review and evaluation of an application for  
27 a certificate of approval and any further information required by the board

1 to be submitted by the applicant and ~~such~~ AN investigation and appraisal  
2 of the applicant as the board deems necessary or appropriate, the board  
3 shall either grant or deny a certificate of approval to the applicant. A  
4 certificate of approval shall be issued to the applicant in the name of the  
5 school and shall state in clear and conspicuous language the name and  
6 address of the school, the date of issuance, and the term of approval.

7 (2) The term for which a certificate of approval is issued shall be  
8 for three years commencing on July 1 and expiring on June 30 of the third  
9 year thereafter or upon the cessation of operation of the school. New  
10 schools shall be issued a provisional certificate of approval which shall  
11 expire on June 30 of the second year following the date of issuance or  
12 upon the cessation of operation of the school.

13 (3) At any time within the period of a certificate of approval, the  
14 board may require the school to submit supplementary documentation or  
15 information deemed necessary to enable the board to determine whether  
16 ~~said~~ THE school is continuing to be operated in compliance with the  
17 provisions of this ~~article~~ ARTICLE 64.

18 **23-64-116. [Formerly 12-59-110] Application for change of**  
19 **ownership - definition.** (1) In the event of a change of ownership of a  
20 school, the seller, prior to the effective date of the change of ownership,  
21 shall notify the board in writing, and the buyer, prior to or within thirty  
22 days after the change of ownership, shall make application for approval  
23 of the change of ownership upon forms to be provided and in a manner  
24 prescribed by the board. In the event of a failure to do so, the school's  
25 certificate of approval shall be suspended by operation of law until ~~such~~  
26 THE application has been received and approved by the board as provided  
27 in this section.

1 (2) Following the review and evaluation of an application and any  
2 further information required by the board to be submitted by the applicant  
3 and ~~such~~ AN investigation and appraisal of an applicant as the board  
4 deems necessary or appropriate, the board shall either grant or deny the  
5 application. Denial of an application shall be in the same manner as set  
6 forth in ~~section 12-59-112~~ SECTION 23-64-118 for a denial of an  
7 application for a certificate of approval; except that the board shall not be  
8 required to submit a notice of noncompliance.

9 (3) "Ownership", for the purpose of this section, means ownership  
10 of a controlling interest in the school or, in the event the school is owned  
11 or controlled by a corporation or other legal entity other than a natural  
12 person, ownership of a controlling interest in the legal entity owning or  
13 controlling ~~such~~ THE school.

14 **23-64-117. [Formerly 12-59-111] Agent's permits. (1) In-state**  
15 **schools.** (a) Any person desiring to engage in the performance of the  
16 duties of an agent for a school located within this state shall be registered  
17 by the school upon forms to be provided by the division. ~~Said~~ THE  
18 registration shall include the following:

19 (I) A statement signed by ~~said~~ THE applicant that he OR SHE has  
20 read the provisions of the "Private Occupational Education Act of 1981"  
21 and the rules ~~and regulations~~ promulgated pursuant thereto;

22 (II) A fee as required by this ~~article~~ ARTICLE 64.

23 (b) An agent representing more than one school must obtain a  
24 separate agent's permit for each school represented; except that an agent  
25 holding a valid agent's permit to represent a school shall not be required  
26 to obtain a separate permit to represent another school owned by the same  
27 entity to the same extent and having the same name as the first school.

1 (c) An agent's permit shall be issued to the agent and shall state in  
2 a clear and conspicuous manner the name of the agent, the name and  
3 location of the school he OR SHE represents, and the date of issuance and  
4 term of ~~such~~ THE permit.

5 (d) An agent's permit shall expire on the same date as the  
6 certificate of approval for the school ~~which~~ ~~such~~ THAT THE agent  
7 represents expires.

8 (2) **Out-of-state schools.** (a) Any person desiring to engage in the  
9 performance of the duties as an agent within this state, for a school  
10 located outside this state, shall make application through the school to the  
11 board upon forms to be provided by the division. ~~Said~~ THE application  
12 shall include the following:

13 (I) A statement signed by ~~said~~ THE applicant that he OR SHE has  
14 read the provisions of the "Private Occupational Education Act of 1981"  
15 and the rules ~~and regulations~~ promulgated pursuant thereto;

16 (II) A surety bond as required in this ~~article~~ ARTICLE 64;

17 (III) A fee as required by this ~~article~~ ARTICLE 64.

18 (b) An application submitted by an applicant who intends to  
19 represent a school located outside this state shall not be acted upon until  
20 any information regarding ~~said~~ THE school ~~which~~ THAT is required to be  
21 submitted by the board, including the name and Colorado address of a  
22 designated agent upon whom any process, notice, or demand may be  
23 served, has been received.

24 (c) An agent representing more than one school must obtain a  
25 separate agent's permit for each school represented; except that an agent  
26 holding a valid agent's permit to represent a school shall not be required  
27 to obtain a separate permit to represent another school owned by the same



1 entity to the same extent and having the same name as the first school.

2 (d) Following the review and evaluation of an application and any  
3 further information required by the board to be submitted by the applicant  
4 and ~~such~~ AN investigation and appraisal of an applicant as the board  
5 deems necessary or appropriate, the board shall recommend to the  
6 executive director either a grant or denial of an agent's permit to the  
7 applicant.

8 (e) An agent's permit shall be issued to the agent and shall state in  
9 a clear and conspicuous manner the name of the agent, the name and  
10 location of the school he OR SHE represents, and the date of issuance and  
11 term of ~~such~~ THE permit.

12 (f) An agent's permit shall expire annually on June 30. An agent's  
13 permit shall also expire upon termination of his OR HER employment with  
14 the school named on ~~said~~ THE permit.

15 (g) An agent's permit issued for the purpose of representing a  
16 school located outside this state shall be suspended by operation of law  
17 when ~~said~~ THE school fails to maintain in this state an agent upon whom  
18 any process, notice, or demand may be served.

19 (h) At least sixty days prior to the expiration of an agent's permit,  
20 the agent shall complete and file with the board an application form and  
21 fee for renewal of ~~said~~ THE permit. ~~Said~~ THE application shall be  
22 reviewed and acted upon as provided in this ~~article~~ ARTICLE 64. If ~~such~~  
23 THE application is not submitted as set forth in this section, the agent's  
24 existing permit shall expire on July 1.

25 (i) The board shall not be required to act upon an application  
26 submitted by an agent whose permit has been revoked or denied by a final  
27 nonappealable order of the board for a period of twelve months

1 subsequent to ~~said~~ THE revocation or denial. Notwithstanding that an  
2 order of revocation or denial shall be subject to judicial review, ~~said~~ THE  
3 agent shall otherwise comply with and be subject to the provisions of this  
4 ~~article~~ ARTICLE 64; except that ~~said~~ THE agent shall not be required to  
5 submit an application as required by this section.

6 **23-64-118. [Formerly 12-59-112] Denial of application for**  
7 **certificate of approval or agent's permit.** (1) If the board, upon review  
8 of an application for a certificate of approval or for an agent's permit,  
9 determines upon reasonable belief that the applicant fails to meet any one  
10 or more of the criteria established pursuant to this ~~article~~ ARTICLE 64, the  
11 board shall submit to the applicant a notice of noncompliance setting  
12 forth the reasons therefor in writing. The notice shall set forth a period of  
13 time within which the applicant may submit written data, arguments,  
14 views, or information with respect to the reasons set forth in the notice  
15 and during which time the applicant shall also be afforded the opportunity  
16 to eliminate the reason for ~~said~~ THE notice.

17 (2) The board shall consider ~~such~~ THE written data, arguments,  
18 views, or information submitted and the steps taken by the applicant to  
19 comply and shall thereafter determine upon reasonable belief whether a  
20 hearing shall be conducted for the purpose of denying ~~said~~ THE  
21 application.

22 (3) An application for a certificate of approval or an agent's permit  
23 may also be denied by the board if the applicant has furnished false or  
24 misleading written or oral statements, documents, or other representations  
25 to the board with the intent to mislead or conceal the truth of any matter  
26 to be considered by the board as a factor in approving the application.

27 (4) Notwithstanding the provisions of subsections (1), (2), and (3)

1 of this section, the provisions of the "State Administrative Procedure  
2 Act", article 4 of title 24, ~~C.R.S.~~, shall apply to the denial of an  
3 application for a certificate of approval submitted by a new school and to  
4 the denial of an initial application for an agent's permit.

5 **23-64-119. [Formerly 12-59-113] Revocation of certificate of**  
6 **approval and agent's permit.** (1) If the board determines upon  
7 reasonable belief that the holder of a certificate of approval or an agent's  
8 permit has violated or is violating any one or more of the criteria  
9 established pursuant to this ~~article~~ ARTICLE 64, the board or its authorized  
10 designee shall submit to ~~such~~ THE holder or a school's designated agent  
11 for service of process a notice of noncompliance setting forth the reasons  
12 therefor in writing. The notice shall set forth a period of time within  
13 which the applicant may submit written data, views, arguments, or  
14 information with respect to the reasons set forth in the notice and during  
15 which time ~~such~~ THE holder shall also be afforded the opportunity to  
16 eliminate the reason for ~~said~~ THE notice.

17 (2) The board shall consider ~~such~~ THE written data, arguments,  
18 views, or information submitted and the steps taken by ~~such~~ THE holder  
19 to comply and shall thereafter determine upon reasonable belief whether  
20 a hearing shall be conducted for the purpose of revoking the certificate of  
21 approval or an agent's permit.

22 (3) If the board has reasonable grounds to believe and finds that  
23 ~~such~~ THE holder has willfully and deliberately violated the criteria  
24 established pursuant to this ~~article~~ ARTICLE 64 or that the public health,  
25 safety, or welfare imperatively requires emergency action and  
26 incorporates such findings in its order, it may summarily suspend the  
27 certificate of approval or agent's permit pending a hearing, which shall be

1 promptly instituted and determined.

2 (4) A certificate of approval or an agent's permit may also be  
3 revoked by the board if the holder thereof has furnished false or  
4 misleading written or oral statements, documents, or other representations  
5 to the board with the intent to mislead or conceal the truth of any matter  
6 considered by the board as a factor in approving the application for a  
7 certificate of approval or an agent's permit or for continuing in effect the  
8 certificate of approval or an agent's permit.

9 (5) A certificate of approval may be revoked by the board if the  
10 holder thereof has had its surety bond cancelled and has not replaced it  
11 within fifteen days prior to the effective date of ~~such~~ THE bond  
12 termination.

13 **23-64-120. [Formerly 12-59-114] Refund policy.** (1) As a  
14 condition for granting a certificate of approval or an agent's permit to  
15 represent a school located outside this state, a school shall maintain a  
16 policy for the refund of tuition and fees in the event, and within thirty  
17 days of the date, a student fails to enter the course, withdraws, or has been  
18 discontinued therefrom at any time prior to completion. ~~and such~~ THE  
19 policy shall provide for at least the following:

20 (a) A full refund of all ~~moneys~~ MONEY paid if the applicant is not  
21 accepted by the school;

22 (b) A full refund of tuition and fees paid if the applicant  
23 withdraws within three days after signing the contract or making an initial  
24 payment if the applicant has not commenced training;

25 (c) A full refund of tuition and fees paid in the event that the  
26 school discontinues a course or program of education during a period of  
27 time within which a student could have reasonably completed the same;

1     except that this provision shall not apply in the event that the school  
2     ceases operation;

3             (d) That the school use a method of determining the official  
4     termination date of the student ~~which~~ THAT complies with the established  
5     criteria of the state board for community colleges and occupational  
6     education;

7             (e) That except for retention of a cancellation charge not to exceed  
8     one hundred fifty dollars or twenty-five percent of the contract price,  
9     whichever is less, the policy for cancellation, settlement, and refund of  
10    tuition and fees provides for at least the following:

11            (I) For a student terminating his OR HER training within the first  
12    ten percent of his OR HER program, the student shall be entitled to a  
13    refund of ninety percent of the contract price of the program exclusive of  
14    books, tools, and supplies;

15            (II) For a student terminating his OR HER training after ten percent  
16    but within the first twenty-five percent of his OR HER program, the student  
17    shall be entitled to a refund of seventy-five percent of the contract price  
18    of the program exclusive of books, tools, and supplies;

19            (III) For a student terminating his OR HER training after  
20    twenty-five percent but within the first fifty percent of his OR HER  
21    program, the student shall be entitled to a refund of fifty percent of the  
22    contract price of the program exclusive of books, tools, and supplies;

23            (IV) For a student terminating his OR HER training after fifty  
24    percent but within the first seventy-five percent of his OR HER program,  
25    the student shall be entitled to a refund of twenty-five percent of the  
26    contract price of the program exclusive of books, tools, and supplies;

27            ~~(V) (Deleted by amendment, L. 81, p. 846, § 11, effective July 1,~~

1 1981.)

2 (VI) (V) A student who has completed seventy-five percent of his  
3 OR HER program and has entered the final twenty-five percent shall not be  
4 entitled to any refund and shall be obligated for the full price of the  
5 program, which constitutes the maximum obligation.

6 (2) (a) A school offering education using an individualized  
7 instruction method shall:

8 (I) Establish a time period during which a student should complete  
9 the training;

10 (II) Outline school policies relative to satisfactory progress,  
11 including an average rate of assignment completion;

12 (III) Establish a policy for termination in the event that a student  
13 does not maintain ~~said~~ THE rate of assignment completion.

14 (b) Under these conditions, a refund of tuition and fees required  
15 by this section may be computed based on ~~said~~ THE time period or on  
16 assignments completed in accordance with the policy previously adopted  
17 by the school.

18 (3) The board may require a school to submit to the board a notice  
19 of each tuition refund paid or contract cancelled in the manner and to the  
20 extent determined by the board.

21 **23-64-121. [Formerly 12-59-115] Bonds - definitions.**

22 (1) Schools located within this state shall file as a part of their  
23 application for a certificate of approval evidence of a savings account,  
24 deposit, or certificate of deposit meeting the requirements of section  
25 11-35-101, ~~C.R.S.~~, or one bond as set forth in this section covering ~~said~~  
26 THE school and its agents. Schools located outside this state shall file  
27 evidence of a savings account, deposit, or certificate of deposit meeting

1 the requirements of section 11-35-101, ~~C.R.S.~~, or bonds as set forth in  
2 this section covering ~~said~~ THE school's agents.

3 (2) At the time application is made for a certificate of approval,  
4 the board shall require an applicant to file with the division a surety bond  
5 in ~~such~~ A sum as determined pursuant to subsection (3) of this section.  
6 ~~Said~~ THE bond shall be executed by the applicant as principal and by a  
7 surety company authorized to do business in this state. The bond shall be  
8 conditioned to provide indemnification to any student or enrollee or to  
9 any parent or guardian of ~~such~~ THE student or enrollee determined by the  
10 board to have suffered loss of tuition or any fees as a result of any act or  
11 practice that is a violation of any minimum standard as set forth in this  
12 ~~article~~ ARTICLE 64 or any criterion established pursuant thereto by a  
13 school or its agents and to provide train-out for students enrolled in an  
14 approved school ceasing operation as provided in ~~subsection (7)~~  
15 SUBSECTION (5) of this section. The bond shall be continuous unless ~~said~~  
16 THE surety is released as set forth in this section.

17 (3) The amount of the bond to be submitted with an application  
18 for a certificate of approval shall be equal to a reasonable estimate of the  
19 maximum prepaid, unearned tuition and fees of the school for a period or  
20 term during the applicable school training year for which programs of  
21 instruction are offered, including, but not limited to, on a semester,  
22 quarter, monthly, or class basis; except that the period or term of greatest  
23 duration and expense shall be utilized for this computation where a  
24 school's training year consists of one or more such periods or terms.  
25 Following the initial filing of the surety bond with the division, the  
26 amount of the bond shall be recalculated annually based upon a  
27 reasonable estimate of the maximum prepaid, unearned tuition and fees

1 received by the school for such period or term. In no case shall the  
2 amount of the bond be less than five thousand dollars.

3 ~~(4) (Deleted by amendment, L. 91, p. 1594, § 3, effective March~~  
4 ~~27, 1991.)~~

5 ~~(5) Repealed.~~

6 ~~(6)(a)~~ (4) (a) A student, enrollee, or parent or guardian of the  
7 student or enrollee claiming loss of tuition or fees may file a claim with  
8 the board if the claim results from an act or practice that violates a  
9 minimum standard or criterion established pursuant to ~~section 12-59-106~~  
10 SECTION 23-64-112. Such claims that are filed with the board shall  
11 constitute public records and are subject to the provisions of article 72 of  
12 title 24; ~~C.R.S.~~; except that no such claims records shall be made public  
13 if ~~such~~ THE release would violate any federal privacy law.

14 (b) Notwithstanding the provisions of ~~paragraph (a) of this~~  
15 ~~subsection (6)~~ SUBSECTION (4)(a) OF THIS SECTION, the board shall not  
16 consider any claim that is filed more than two years after the date the  
17 student discontinues his or her training at the school.

18 ~~(7)(a)~~ (5) (a) In the event that a private occupational school  
19 ceases operation, the board is authorized to make demand on the surety  
20 of ~~such~~ THE school upon the demand for a refund by a student or the  
21 implementation of a train-out for the students of ~~such~~ THE school, and the  
22 surety shall pay the claim due in a timely manner. To the extent  
23 practicable, the board shall use the amount of the bond to provide  
24 train-out for students of the private occupational school ceasing operation  
25 through a contract with another approved private occupational school, a  
26 community college, an area technical college, or any other training  
27 arrangement acceptable to the board. The train-out provided to a student



1 replaces the original enrollment agreement or contract between the  
2 student and the private occupational school ceasing operation; except that  
3 tuition and fee payments shall be made by the student as required by the  
4 original enrollment agreement or contract.

5 (b) Any student enrolled in a private occupational school ceasing  
6 operation who declines the train-out required to be offered pursuant to  
7 ~~paragraph (a) of this subsection (7)~~ SUBSECTION (5)(a) OF THIS SECTION  
8 may file a claim with the board for the student's prorated share of the  
9 prepaid, unearned tuition and fees paid by ~~such~~ THE student subject to the  
10 limitations of ~~paragraph (c) of this subsection (7)~~ SUBSECTION (5)(c) OF  
11 THIS SECTION. No subsequent payment shall be made to a student, unless  
12 proof of satisfaction of any prior debt to a financial institution is  
13 submitted in accordance with the board rules concerning the  
14 administration of this section.

15 (c) If the amount of the bond is less than the total prepaid,  
16 unearned tuition and fees ~~which~~ THAT have been paid by students at the  
17 time the private occupational school ceased operation, the amount of the  
18 bond shall be prorated among ~~such~~ THE students.

19 (d) The provisions of this ~~subsection (7)~~ SUBSECTION (5) shall be  
20 applicable only to those students enrolled in the private occupational  
21 school at the time it ceases operation, and, once a school ceases operation,  
22 no new students shall be enrolled therein.

23 (e) The board shall be designated as the trustee for all prepaid,  
24 unearned tuition and fees, student loans, Pell grants, and other student  
25 financial aid assistance in the event that an approved private occupational  
26 school ceases operation.

27 (f) The board shall determine whether the offering of a train-out

1 for students enrolled in an approved private occupational school ceasing  
2 operation is practicable without federal government designation of the  
3 board as trustee for student loans, Pell grants, and other student financial  
4 aid assistance pursuant to ~~paragraph (c) of this subsection (7)~~ SUBSECTION  
5 (5)(e) OF THIS SECTION.

6 ~~(8)~~ (6) At the time that application is made for an agent's permit  
7 to represent a school located outside this state, ~~said~~ THE application shall  
8 be accompanied by a surety bond in the sum of fifty thousand dollars.  
9 ~~Said~~ THE bond shall be executed by the applicant as principal and by a  
10 surety company authorized to do business in this state. The bond shall be  
11 conditioned to provide indemnification to any student or enrollee or his  
12 or her parent or guardian determined by the board to have suffered loss  
13 of tuition or any fees as a result of any act or practice that is a violation  
14 of any deceptive trade or sales practice as set forth in this ~~article~~ ARTICLE  
15 64 or any criteria established pursuant thereto by ~~said~~ THE agent.  
16 Regardless of the number of years that ~~said~~ THE bond is in force, the  
17 aggregate liability of the surety thereon shall in no event exceed the penal  
18 sum of the bond. The bond shall be continuous, unless ~~said~~ THE surety is  
19 released as set forth in this section, and may be blanket in form. Any  
20 student or enrollee or his or her parent or guardian claiming loss of tuition  
21 or any fees as a result of any deceptive trade or sales practice shall file a  
22 notarized claim with the board. In no event, however, shall the board  
23 consider any such complaint filed one hundred eighty days after the date  
24 the student discontinued his or her training at ~~said~~ THE school.

25 ~~(9)~~ (7) Except with respect to a claim for tuition and fees made by  
26 a student enrolled in an approved private occupational school ceasing  
27 operation, the board shall conduct a hearing for the purpose of

1 determining any loss of tuition or fees, and, if any claim is found to be  
2 correct and due the claimant, the board shall make demand upon the  
3 principal and the surety on the bond. If the principal or surety fails or  
4 refuses to pay the claim due, the board shall commence an action on ~~such~~  
5 THE bond in any court of competent jurisdiction; except that no such  
6 action may be filed more than six years subsequent to the date of any  
7 violation that gives rise to the right to file a claim pursuant to this section.  
8 A claim for tuition and fees made by a student enrolled in an approved  
9 private occupational school ceasing operation shall be handled in the  
10 manner provided in ~~subsection (7)~~ SUBSECTION (5) of this section.

11 ~~(10)~~ (8) A certificate of approval or an agent's permit shall be  
12 suspended by operation of law when ~~said~~ THE school or agent is no longer  
13 covered by a surety bond as required by this section. The board shall give  
14 written notice to ~~said~~ THE school or agent, or both, at the last-known  
15 address, at least forty-five days prior to the release of ~~said~~ THE surety, to  
16 the effect that ~~said~~ THE certificate of approval or agent's permit shall be  
17 suspended by operation of law until another surety bond is filed in the  
18 same manner and like amount as the bond being released.

19 ~~(11)~~ (9) A surety on any bond filed under the provisions of this  
20 section shall be released therefrom after ~~such~~ THE surety serves written  
21 notice thereof to the board at least sixty days prior to ~~such~~ THE release.  
22 ~~Said~~ THE release shall not discharge or otherwise affect any claim filed  
23 by any student or enrollee or his or her parent or guardian for loss of  
24 tuition or any fees that occurred while ~~said~~ THE bond was in effect or  
25 ~~which~~ THAT occurred under any note or contract executed during any  
26 period of time when ~~said~~ THE bond was in effect, except when another  
27 bond is filed in a like amount and provides indemnification for any such

1 loss.

2 ~~(12)~~ (a) (10) (a) The board shall allow, at a reasonable price,  
3 alternate surety methods in lieu of the bonding requirements of this  
4 section. The alternate sureties shall be conditioned to provide  
5 indemnification to any student or enrollee or to any parent or guardian of  
6 ~~such~~ THE student or enrollee for any loss of tuition or any fees as a result  
7 of any act or practice that is a violation of this ~~article~~ ARTICLE 64 and to  
8 provide train-out for students enrolled in an approved school ceasing  
9 operation as provided in ~~subsection (7)~~ SUBSECTION (5) of this section. In  
10 the event that a school covered by an alternate surety ceases operation, the  
11 board shall act in the manner provided in ~~subsection (7)~~ SUBSECTION (5)  
12 of this section.

13 (b) Prior to September 1, 1991, and each year thereafter, any  
14 alternate surety allowed by the board shall be required to contract for an  
15 independent financial audit. ~~Such~~ THE audit shall be included in a report  
16 to the board due by January 1 of the following year. The board may  
17 disapprove an alternate surety if it deems that ~~such~~ THE surety is not able  
18 to provide students with the indemnification and train-out required by this  
19 section.

20 ~~(13)~~ (11) For the purposes of this section, "school" and "private  
21 occupational school" shall include a for-profit private college or  
22 university, as defined in section 23-2-102 (11), ~~C.R.S.~~, in which the  
23 majority of students are enrolled in courses and programs that are  
24 occupational in nature, as defined by the board.

25 **23-64-122. [Formerly 12-59-116] Fees - private occupational**  
26 **schools fund - annual adjustment - rules.** (1) The board by rule shall  
27 establish fees for the direct and indirect costs of the administration of this

1 ~~article~~ ARTICLE 64, which fees shall accompany any application for a  
2 certificate of approval for a new school or for a school other than a new  
3 school, for an in-state or out-of-state agent's permit, or for a change of  
4 ownership. All fees collected shall be transmitted to the state treasurer,  
5 who shall credit the same to the private occupational schools fund, which  
6 fund is hereby created. The ~~moneys~~ MONEY in the fund shall be subject  
7 to annual appropriation by the general assembly for the direct and indirect  
8 costs of the administration of this ~~article~~ ARTICLE 64. All ~~moneys~~ MONEY  
9 credited to the fund shall be used for the direct and indirect costs of the  
10 administration of this ~~article~~ ARTICLE 64 and shall not be deposited in or  
11 transferred to the general fund of this state or to any other fund.

12 (2) In addition to the fees specified in subsection (1) of this  
13 section, the board by rule shall establish and receive fees for reviewing  
14 the qualifications of and for issuing appropriate credentials to instructors  
15 and administrators pursuant to ~~section 12-59-106 (1) (e)~~ SECTION  
16 23-64-112 (1)(e). Such fees shall be collected and administered in the  
17 same manner as the fees specified in subsection (1) of this section.

18 (3) (a) The board shall propose, as part of the division's annual  
19 budget request, an adjustment in the amount of the fees that it is  
20 authorized to collect pursuant to this section. The budget request and the  
21 adjusted fees shall reflect the direct and indirect costs of administering  
22 this ~~article~~ ARTICLE 64.

23 (b) Based upon the appropriation made, the board shall adjust its  
24 fees so that the revenue generated from ~~said~~ THE fees approximates the  
25 direct and indirect costs of administering this ~~article~~ ARTICLE 64. The  
26 adjusted fees must remain in effect for the fiscal year for which the  
27 budget request applies.

1 (c) Beginning July 1, 1995, and each July 1 thereafter, whenever  
2 ~~moneys~~ MONEY appropriated to the division for its activities for the prior  
3 fiscal year are unexpended, ~~said moneys~~ THE MONEY shall be made a part  
4 of the appropriation to the division for the next fiscal year, and ~~such~~ THE  
5 amount shall not be raised from fees collected by the division. If a  
6 supplemental appropriation is made to the division for its activities, the  
7 division's fees shall be adjusted in the following fiscal year by an  
8 additional amount that is sufficient to compensate for the supplemental  
9 appropriation. Funds appropriated to the division in the annual general  
10 appropriations bill shall be designated as cash funds and shall not exceed  
11 the amount anticipated to be raised from fees collected by the division.

12 **23-64-123. [Formerly 12-59-117] Deceptive trade or sales**  
13 **practices.** (1) It is a deceptive trade or sales practice for:

14 (a) A school or agent to make or cause to be made any statement  
15 or representation, oral, written, or visual, in connection with the offering  
16 of educational services if ~~such~~ THE school or agent knows or reasonably  
17 should have known the statement or representation to be false,  
18 substantially inaccurate, or misleading;

19 (b) A school or agent to represent falsely, directly or by  
20 implication, through the use of a trade or business name or in any other  
21 manner, including the use of "help wanted" or other employment columns  
22 in a newspaper or other publication, that it is an employment agency or  
23 agent or authorized training facility for another industry or member of  
24 such industry or to otherwise deceptively conceal the fact that it is a  
25 school;

26 (c) A school or agent to represent falsely, directly or by  
27 implication, that any of its educational services have been approved by a

1 particular industry or that successful completion thereof qualifies a  
2 student for admission to a labor union or similar organization or for the  
3 receipt of a state license to perform certain functions;

4 (d) A school or agent to represent falsely, directly or by  
5 implication, that the lack of a high school education, prior training, or  
6 experience is not a handicap or impediment to completing successfully a  
7 course or program of study or for gaining employment in the field for  
8 which the educational services were designed;

9 (e) A school or agent to adopt a name, trade name, or trademark  
10 ~~which~~ THAT represents falsely, directly or by implication, the quality,  
11 scope, nature, size, or integrity of the school or its educational services;

12 (f) A school or agent to represent falsely, directly or by  
13 implication, that students completing a course or program of instruction  
14 successfully may transfer credit therefor to any institution of higher  
15 education;

16 (g) A school or agent to represent falsely, directly or by  
17 implication, in its advertising or promotional materials or in any other  
18 manner, the size, location, facilities, or equipment of the school, the  
19 number or educational experience qualifications of its faculty, the extent  
20 or nature of any approval received from any state agency, or the extent or  
21 nature of any accreditation received from any accrediting agency or  
22 association;

23 (h) A school or agent to provide prospective students with any  
24 testimonials, endorsements, or other information ~~which~~ THAT has the  
25 tendency to mislead or deceive prospective students or the public  
26 regarding current practices of the school, current conditions for  
27 employment opportunities, or probable earnings in the industry or

1 occupation for which the educational services were designed or as a result  
2 of the completion of any such educational service;

3 (i) A school or agent to enroll a student when it is reasonably  
4 obvious that the student is unlikely to complete successfully a program of  
5 study or is unlikely to qualify for employment in the field for which the  
6 education is designed, unless this fact is affirmatively disclosed to the  
7 student;

8 (j) An agent representing an out-of-state school to represent  
9 directly or by implication that ~~said~~ THE school is approved or accredited  
10 by the state of Colorado;

11 (k) A school or agent to designate or refer to its sales  
12 representatives as "counselors" or "advisors" or to use words of similar  
13 import ~~which~~ THAT have the tendency to mislead or deceive prospective  
14 students or the public regarding the authority or qualifications of ~~such~~  
15 THE sales representatives or agents.

16 **23-64-124. [Formerly 12-59-118] Complaints of deceptive**  
17 **trade or sales practices.** (1) A person claiming pecuniary loss as a result  
18 of a deceptive trade or sales practice, pursuant to ~~section 12-59-117~~  
19 SECTION 23-64-123, by a school or agent may file with the board a written  
20 complaint against the school or agent. The complaint must set forth the  
21 alleged violation and ~~such~~ ANY other relevant information as the board  
22 may require. A complaint filed under this section is a public record  
23 subject to the provisions of article 72 of title 24 ~~C.R.S.~~, and must be filed  
24 within two years after the student discontinues his or her training at the  
25 school or at any time prior to the commencement of training.

26 (2) The board shall investigate any such complaint and thereafter  
27 may consider ~~such~~ THE complaint at a hearing. If, upon all the evidence



1 at a hearing, the board finds that a school or agent has engaged in or is  
2 engaging in any deceptive trade or sales practice, the board may issue and  
3 cause to be served upon ~~such~~ THE school, ~~such~~ THE agent, or the  
4 designated agent for service of process, notice, or demand an order  
5 requiring ~~such~~ THE school or agent to cease and desist from such practice.  
6 The board may obtain an order for enforcement of its order in the district  
7 court pursuant to section 24-4-106. ~~C.R.S.~~

8 (3) If the board finds that the complainant or class of  
9 complainants has suffered pecuniary loss as a result of such practice, the  
10 board, at its discretion, may award the complainant or class of  
11 complainants full restitution for ~~such~~ THE loss. The board may also  
12 commence a civil action against a school or agent believed by the board  
13 to have caused a complainant or class of complainants to suffer pecuniary  
14 loss as a result of any deceptive trade or sales practice. Upon a finding  
15 that ~~such~~ THE complainant or class of complainants has suffered  
16 pecuniary loss as a result of any deceptive trade or sales practice, the  
17 court shall order the school or agent to pay to the complainant or class of  
18 complainants full restitution for ~~such~~ THE loss.

19 (4) Any person filing a complaint alleging a deceptive trade or  
20 sales practice pursuant to this section shall exhaust the remedies provided  
21 in this section prior to filing a complaint with the district court alleging  
22 a deceptive trade or sales practice.

23 **23-64-125. [Formerly 12-59-119] Preservation of records.**

24 (1) In the event that a school located in Colorado ceases operation, the  
25 owner or his or her authorized designee shall deposit with the division the  
26 original or legible true copies of all educational, financial, or other  
27 records of the school.

1           (2) In the event that it appears to the board that any records of a  
2 school located in Colorado that is ceasing operation are in danger of  
3 being destroyed, secreted, mislaid, or otherwise made unavailable to the  
4 board, the board may seize and take possession of ~~such~~ THE records upon  
5 making application to any court of competent jurisdiction for an  
6 appropriate order. The board shall maintain or cause to be maintained in  
7 the division a permanent file of any such records.

8           (3) Any person desiring copies of any such records shall pay a fee  
9 as may be established by the board.

10           **23-64-126. [Formerly 12-59-120] Enforceability of notes,**  
11 **contracts, and other evidence of indebtedness.** (1) No note, other  
12 instrument of indebtedness, or contract relating to payment for  
13 educational services shall be enforceable in the courts of this state by any  
14 school located within this state unless ~~said~~ THE school, at the time of  
15 execution of ~~such~~ THE note, other instrument of indebtedness, or contract,  
16 holds a valid certificate of approval nor by any school having an agent in  
17 this state unless ~~such~~ THE agent, who enrolled persons to whom  
18 educational services were to be rendered or to whom educational  
19 credentials were to be granted, held a valid agent's permit at the time of  
20 the execution of the note, other instrument of indebtedness, or contract.

21           ~~(2) and (3) Repeated.~~

22           ~~(4)~~ (2) The enforceability of notes, contracts, and other evidence  
23 of indebtedness relating to payment for educational services shall be in  
24 compliance with applicable state and federal laws and regulations, as  
25 amended.

26           **23-64-127. [Formerly 12-59-121] Violations - civil - penalty.**  
27 The board may commence a civil action against any entity believed by the

1 board to have violated the provisions of ~~section 12-59-107~~ SECTION  
2 23-64-113 or who fails or refuses to deposit with the division the records  
3 required by ~~section 12-59-119~~ SECTION 23-64-125. Upon a finding that  
4 the entity has violated the provisions of ~~section 12-59-107~~ SECTION  
5 23-64-113 or has failed or refused to deposit with the division the records  
6 required by ~~section 12-59-119~~ SECTION 23-64-125, the court shall order  
7 the entity to pay to the division a civil penalty not to exceed one hundred  
8 dollars for each violation. Each day's failure by an entity to comply with  
9 the provisions of said section is a separate violation.

10 **23-64-128. [Formerly 12-59-122] Violations - criminal -**  
11 **penalty.** Any person, group, or entity, or any owner, officer, agent, or  
12 employee thereof, who willfully violates the provisions of ~~section~~  
13 ~~12-59-107~~ SECTION 23-64-113 or who willfully fails or refuses to deposit  
14 with the division the records required by ~~section 12-59-119~~ SECTION  
15 23-64-125 is guilty of a misdemeanor and, upon conviction thereof, shall  
16 be punished by a fine of not more than one thousand dollars, or by  
17 imprisonment in the county jail for not more than six months, or both. It  
18 is the duty of the district attorney to prosecute all violations of this section  
19 that occur within his or her district.

20 **23-64-129. [Formerly 12-59-123] State administrative**  
21 **procedure act.** Unless otherwise provided in this ~~article~~ ARTICLE 64, the  
22 provisions of the "State Administrative Procedure Act", article 4 of title  
23 24, ~~C.R.S.~~, shall govern the giving of notices for and the conducting of  
24 any hearings on any matter within the authority of the board as set forth  
25 in this ~~article~~ ARTICLE 64.

26 **23-64-130. [Formerly 12-59-124] Jurisdiction of courts - service**  
27 **of process.** Any school located within or without this state ~~which~~ THAT

1 offers to provide educational services to any person in this state, whether  
2 ~~such~~ THE educational services are provided in person or by  
3 correspondence, or ~~which~~ THAT offers to award any educational  
4 credentials to any person in this state submits ~~such~~ THE school to the  
5 jurisdiction of the courts of this state concerning any cause of action  
6 arising therefrom and for the purpose of enforcement of this ~~article~~  
7 ARTICLE 64 by injunction pursuant to ~~section 12-59-125~~ SECTION  
8 23-64-131. Service of process upon any such school subject to the  
9 jurisdiction of the courts of this state may be made by personally serving  
10 the summons upon the defendant within or without this state in the  
11 manner prescribed by the Colorado rules of civil procedure, which shall  
12 have the same force and effect as if the summons had been personally  
13 served within this state. Nothing contained in this section shall limit or  
14 affect the right to serve any process as prescribed by the Colorado rules  
15 of civil procedure.

16 **23-64-131. [Formerly 12-59-125] Enforcement - injunction -**  
17 **finer - rules.** (1) Whenever it appears to the board that any entity is or  
18 has been violating any of the provisions of this ~~article~~ ARTICLE 64 or any  
19 of the lawful rules or orders of the board, the board, on its own motion or  
20 on the written complaint of any person, may apply for and obtain a  
21 temporary restraining order or injunction, or both, in the name of the  
22 board in any district court in this state against ~~said~~ THE entity for the  
23 purpose of restraining or enjoining ~~such~~ THE violation or for an order  
24 directing compliance with the provisions of this ~~article~~ ARTICLE 64 and all  
25 rules and orders issued pursuant to this ~~article~~ ARTICLE 64. The board may  
26 also issue a cease-and-desist order prior to seeking court-ordered  
27 injunctive relief. It is not necessary that the board allege or prove that it

1 has no adequate remedy at law. The right of injunction or a  
2 cease-and-desist order provided for in this section is in addition to any  
3 other legal remedy ~~which~~ THAT the board has and is in addition to any  
4 right of criminal prosecution provided by law. The existence of board  
5 action with respect to alleged violations of this ~~article~~ ARTICLE 64 is not  
6 a bar to any action for injunctive relief pursuant to this section.

7 (2) The board shall have the authority to promulgate rules and  
8 adopt procedures to establish, impose, and collect fines from an entity that  
9 is in violation of the provisions of this ~~article~~ ARTICLE 64 or the lawful  
10 rules or orders of the board. The board may impose a fine, pursuant to  
11 said rules, in addition to or in lieu of seeking a temporary restraining  
12 order or an injunction pursuant to subsection (1) of this section. All fines  
13 collected pursuant to this subsection (2) shall be transferred to the state  
14 treasurer, who shall credit the same to the state general fund.

15 (3) In determining whether to impose a fine, seek a temporary  
16 restraining order or an injunction, or issue a cease-and-desist order, the  
17 board shall consider whether the entity has engaged in a pattern of  
18 noncompliance.

19 **23-64-132. [Formerly 12-59-127] Transfer of governance of**  
20 **private occupational schools - provisions for transition - rules.**

21 (1) (a) Any powers, duties, and functions relating to the governance,  
22 jurisdiction, and control of private occupational schools that were  
23 previously vested in the state board for community colleges and  
24 occupational education prior to July 1, 1990, are specifically transferred  
25 to the division on July 1, 1990.

26 (b) The powers, duties, and functions specified in ~~section~~  
27 ~~12-59-105.3~~ SECTION 23-64-108 relating to the governance, jurisdiction,

1 and control of private occupational schools that were previously vested  
2 in the division prior to July 1, 1998, are specifically transferred to the  
3 board on July 1, 1998.

4 ~~(2) and (3) Repealed.~~

5 ~~(4) (2) The board shall establish minimum criteria, promulgate~~  
6 ~~other rules, and adopt procedures necessary for the conduct of its work~~  
7 ~~and the implementation of this article ARTICLE 64 pursuant to section~~  
8 ~~12-59-105.3 SECTION 23-64-108.~~

9 **23-64-133. [Formerly 12-59-128] Repeal of article - review of**  
10 **functions.** This ~~article~~ ARTICLE 64 is repealed, effective September 1,  
11 2024. Prior to ~~such~~ THE repeal, the department of regulatory agencies  
12 shall review the regulation of private occupational schools and their  
13 agents under this ~~article~~ ARTICLE 64, including the functions of the  
14 division and the board, in accordance with section 24-34-104. ~~C.R.S.~~

15 **SECTION 2.** In Colorado Revised Statutes, 11-35-101, **amend**  
16 (1) as follows:

17 **11-35-101. Alternatives to surety bonds permitted -**  
18 **requirements - definition.** (1) The requirement of a surety bond as a  
19 condition to licensure or authority to conduct business or perform duties  
20 in this state provided in ~~sections 6-16-104.6, 12-5.5-202(2)(b), 12-6-111,~~  
21 ~~12-6-112, 12-6-112.2, 12-6-512, 12-6-513, 12-14-124(1), 12-59-115(1),~~  
22 ~~12-60-509(2.5)(b), 12-61-907, 33-4-101(1), 33-12-104(1), 35-55-104~~  
23 ~~(1), 37-91-107(2) and (3), 38-29-119(2), 39-21-105, 39-27-104(2)(a),~~  
24 ~~(2)(b), (2)(c), (2)(d), (2)(e), (2.1)(a), (2.1)(b), (2.1)(c), (2.5)(a), and~~  
25 ~~(2.5)(b), 39-28-105(1), 42-6-115(3), and 42-7-301(6), C.R.S., SECTIONS~~  
26 ~~6-16-104.6, 12-5.5-202(2)(b), 12-6-111, 12-6-112, 12-6-112.2, 12-6-512,~~  
27 ~~12-6-513, 12-14-124(1), 12-60-509(2.5)(b), 12-61-907, 23-64-121(1),~~

1 33-4-101 (1), 33-12-104 (1), 35-55-104 (1), 37-91-107 (2) AND (3),  
2 38-29-119 (2), 39-21-105, 39-27-104 (2)(a), (2)(b), (2)(c), (2)(d), (2)(e),  
3 (2.1)(a), (2.1)(b), (2.1)(c), (2.5)(a), AND (2.5)(b), 39-28-105 (1), 42-6-115  
4 (3), AND 42-7-301 (6) may be satisfied by a savings account or deposit in  
5 or a certificate of deposit issued by a state or national bank doing business  
6 in this state or by a savings account or deposit in or a certificate of deposit  
7 issued by a state or federal savings and loan association doing business  
8 in this state. Such savings account, deposit, or certificate of deposit shall  
9 be in the amount specified by statute, if any, and shall be assigned to the  
10 appropriate state agency for the use of the people of the state of Colorado.  
11 The aggregate liability of the bank or savings and loan association shall  
12 in no event exceed the amount of the deposit. For the purposes of the  
13 sections referred to in this section, "bond" includes the savings account,  
14 deposit, or certificate of deposit authorized by this section.

15 **SECTION 3.** In Colorado Revised Statutes, 12-8-114, **amend** (2)  
16 as follows:

17 **12-8-114. Qualifications of applicants - requirements.** (2) An  
18 applicant for examination shall furnish proof of graduation from a barber  
19 school or beauty school approved by the private occupational school  
20 division pursuant to ~~article 59 of this title~~ ARTICLE 64 OF TITLE 23;  
21 approved by the state board for community colleges and occupational  
22 education pursuant to article 60 of title 23; ~~C.R.S.~~; or, if the school is  
23 located in another state or country, approved by the governmental agency  
24 responsible for approving such schools in that state or country. The  
25 applicant shall also furnish proof that the applicant has successfully  
26 completed educational requirements equal to those set by the director. If  
27 the applicant has graduated from a school located outside Colorado, the

1 applicant shall furnish proof that the applicant has successfully completed  
2 educational requirements substantially equal to those set by the director.

3 **SECTION 4.** In Colorado Revised Statutes, 12-35.5-103, **amend**  
4 the introductory portion and (3)(a) as follows:

5 **12-35.5-103. Definitions.** As used in this ~~article~~ ARTICLE 35.5,  
6 unless the context otherwise requires:

7 (3) "Approved massage school" means:

8 (a) A massage therapy educational school that has a valid  
9 certificate of approval from the division of private and occupational  
10 schools in accordance with the provisions of ~~article 59 of this title~~  
11 ARTICLE 64 OF TITLE 23;

12 **SECTION 5.** In Colorado Revised Statutes, 12-35.5-110, **amend**  
13 (1) introductory portion and (1)(f)(I)(B) as follows:

14 **12-35.5-110. Scope of article - exclusions - authority for**  
15 **clinical setting.** (1) Nothing in this ~~article~~ ARTICLE 35.5 prohibits or  
16 requires a massage therapy license for any of the following:

17 (f) (I) The practice of animal massage if the person performing  
18 massage on an animal:

19 (B) Has earned a degree or certificate in animal massage from a  
20 school approved by the private occupational school division of the  
21 Colorado department of higher education under ~~article 59 of this title~~  
22 ARTICLE 64 OF TITLE 23, an out-of-state school offering an animal  
23 massage program with an accreditation recognized by the United States  
24 department of education, or a school that is exempt under section  
25 12-59-104.

26 **SECTION 6.** In Colorado Revised Statutes, 12-61-110.5, **amend**  
27 (2) as follows:



1           **12-61-110.5. Renewal of license - continuing education**  
2 **requirement.** (2) The real estate commission shall develop twelve hours  
3 of credit designed to assure reasonable currency of real estate knowledge  
4 by licensees, which credits shall include an update of the current statutes  
5 and the rules promulgated by the commission that affect the practice of  
6 real estate. If a licensee takes a course pursuant to rule 260 of the  
7 Colorado rules of civil procedure and ~~such~~ THE course concerns real  
8 property law, ~~such~~ THE licensee shall receive credit for ~~such~~ THE course  
9 toward the fulfillment of ~~such~~ THE licensee's continuing education  
10 requirements pursuant to this section. ~~Such~~ THE credits shall be taken  
11 from an accredited Colorado college or university; a Colorado community  
12 college; a Colorado private occupational school holding a certificate of  
13 approval from the state board for community colleges and occupational  
14 education; or an educational institution or an educational service  
15 described in ~~section 12-59-104~~ SECTION 23-64-104. Successful  
16 completion of such credits shall require satisfactory passage of a written  
17 examination or written examinations of the materials covered. ~~Such~~ THE  
18 examinations shall be audited by the commission to verify their accuracy  
19 and the validity of the grades given. The commission shall set the  
20 standards required for satisfactory passage of the examinations.

21           **SECTION 7.** In Colorado Revised Statutes, 18-13-122, **amend**  
22 (5) introductory portion and (5)(c)(II) as follows:

23           **18-13-122. Illegal possession or consumption of ethyl alcohol**  
24 **or marijuana by an underage person - illegal possession of marijuana**  
25 **paraphernalia by an underage person - definitions - adolescent**  
26 **substance abuse prevention and treatment fund - legislative**  
27 **declaration.** (5) It is an affirmative defense to the offense described in

1 ~~paragraph (a) of subsection (3)~~ SUBSECTION (3)(a) of this section that the  
2 ethyl alcohol was possessed or consumed by a person under twenty-one  
3 years of age under the following circumstances:

4 (c) The person is a student who:

5 (II) Is enrolled in a university or a post-secondary school  
6 accredited or certified by an agency recognized by the United States  
7 department of education, a nationally recognized accrediting agency or  
8 association, or the "Private Occupational Education Act of 1981", ~~article~~  
9 ~~59 of title 12, C.R.S.~~ ARTICLE 64 OF TITLE 23;

10 **SECTION 8.** In Colorado Revised Statutes, 23-1-110, **amend** (4)  
11 as follows:

12 **23-1-110. Organization, meetings, and staff.** (4) The executive  
13 director shall review and approve or deny any proposed action or  
14 recommendation of the private occupational school board acting pursuant  
15 to ~~article 59 of title 12, C.R.S.~~ ARTICLE 64 OF THIS TITLE 23.

16 **SECTION 9.** In Colorado Revised Statutes, 23-2-102, **amend** the  
17 introductory portion and (13) as follows:

18 **23-2-102. Definitions.** As used in this ~~article~~ ARTICLE 2, unless  
19 the context otherwise requires:

20 (13) "Private occupational school" means an institution authorized  
21 by the private occupational school division under the provisions of ~~article~~  
22 ~~59 of title 12, C.R.S.~~ ARTICLE 64 OF THIS TITLE 23.

23 **SECTION 10.** In Colorado Revised Statutes, 23-2-102.5, **amend**  
24 (1)(a) as follows:

25 **23-2-102.5. Applicability of article.** (1) (a) A private college or  
26 university that enrolls a majority of its students at the certificate or  
27 associate level is regulated by the division of private occupational schools

1 and the private occupational school board pursuant to ~~article 59 of title~~  
2 ~~12, C.R.S.~~, ARTICLE 64 OF THIS TITLE 23 and is not subject to the  
3 provisions of this ~~article~~ ARTICLE 2.

4 **SECTION 11.** In Colorado Revised Statutes, 23-3.1-102, **amend**  
5 the introductory portion and (5)(b)(II) as follows:

6 **23-3.1-102. Definitions.** As used in this ~~article~~ ARTICLE 3.1 or in  
7 the specified portion of this ~~article~~ ARTICLE 3.1, unless the context  
8 otherwise requires:

9 (5) "Institution of higher education" means an educational  
10 institution which meets all of the following criteria:

11 (b) (II) It is a vocational or occupational school inside the United  
12 States which is either accredited by a nationally recognized accrediting  
13 agency or association or meets the criteria set forth in the federal "Higher  
14 Education Act of 1965", as amended, 20 U.S.C. 1085 (c)(4), and, in the  
15 case of private occupational schools located in Colorado, holds a  
16 certificate of approval as required by ~~article 59 of title 12, C.R.S.~~ ARTICLE  
17 64 OF THIS TITLE 23;

18 **SECTION 12.** In Colorado Revised Statutes, 23-3.3-101, **amend**  
19 the introductory portion, (3) introductory portion, and (3)(b) as follows:

20 **23-3.3-101. Definitions.** As used in this ~~article~~ ARTICLE 3.3,  
21 unless the context otherwise requires:

22 (3) "Institution" means an educational institution operating in this  
23 state ~~which~~ THAT meets all of the following:

24 (b) Is accredited by a nationally recognized accrediting agency or  
25 association and, in the case of private occupational schools, holds a  
26 regular certificate in accordance with the provisions of ~~article 59 of title~~  
27 ~~12, C.R.S.~~ ARTICLE 64 OF THIS TITLE 23;

1           **SECTION 13.** In Colorado Revised Statutes, 23-3.5-102, **amend**  
2 the introductory portion, (3)(a)(II), and (3)(b) as follows:

3           **23-3.5-102. Definitions.** As used in this ~~article~~ ARTICLE 3.5,  
4 unless the context otherwise requires:

5           (3) (a) "Institution of higher education" means an educational  
6 institution operating in this state that:

7           (II) Is accredited by a nationally recognized accrediting agency or  
8 association and, in the case of private occupational schools, holds a  
9 regular certificate from the private occupational school division in  
10 accordance with the provisions of ~~article 59 of title 12, C.R.S.~~ ARTICLE 64  
11 OF THIS TITLE 23, or is regulated or approved pursuant to any other statute;

12           (b) The term "institution of higher education" does not include a  
13 branch program of an institution of higher education whose principal  
14 campus and facilities are located outside this state, unless the institution  
15 operating the branch program has received a certificate of approval from  
16 the private occupational school division in accordance with the provisions  
17 of ~~article 59 of title 12, C.R.S.~~ ARTICLE 64 OF THIS TITLE 23.

18           **SECTION 14.** In Colorado Revised Statutes, 23-3.7-102, **amend**  
19 introductory portion, (3)(c), and (3)(f) as follows:

20           **23-3.7-102. Definitions.** As used in this ~~article~~ ARTICLE 3.7,  
21 unless the context otherwise requires:

22           (3) "Nonpublic institution of higher education" means an  
23 institution of higher education operating in this state that:

24           (c) Is accredited by a nationally recognized accrediting agency or  
25 association and, in the case of private occupational schools, holds a  
26 certificate of approval from the private occupational school division in  
27 accordance with the provisions of ~~article 59 of title 12, C.R.S.~~ ARTICLE 64

1 OF THIS TITLE 23, or is regulated or approved pursuant to any other statute;

2 (f) Is not a branch program or campus of an institution of higher  
3 education whose principal campus and facilities are located outside this  
4 state, unless the institution operating the branch program has received a  
5 certificate of approval from the private occupational school division in  
6 accordance with the provisions of ~~article 59 of title 12, C.R.S.~~ ARTICLE 64  
7 OF THIS TITLE 23.

8 **SECTION 15.** In Colorado Revised Statutes, 23-60-304, **amend**  
9 (2) as follows:

10 **23-60-304. Plans - development and implementation -**  
11 **credentialing - fees.** (2) The board shall provide for the implementation  
12 of state plans for occupational education and for this purpose may enter  
13 into contracts with or purchase services from the governing bodies of  
14 school districts, boards of cooperative services, junior college districts,  
15 other approved local educational agencies, state institutions of higher  
16 education, private vocational schools that have been approved under the  
17 provisions of ~~article 59 of title 12, C.R.S.~~, ARTICLE 64 OF THIS TITLE 23  
18 and other appropriate agencies and institutions.

19 **SECTION 16.** In Colorado Revised Statutes, **amend** 23-60-701  
20 as follows:

21 **23-60-701. Legislative declaration.** The general assembly hereby  
22 finds and declares that, pursuant to ~~article 59 of title 12, C.R.S.~~ ARTICLE  
23 64 OF THIS TITLE 23, there is a demonstrated need for statewide  
24 administration of private occupational schools in order to provide  
25 standards for, foster improvements of, and protect the citizens of this state  
26 against fraudulent or substandard educational services in private  
27 occupational schools. Therefore, the general assembly has determined

1 that the overall responsibility for such administration and for ensuring  
2 compliance with ~~article 59 of title 12, C.R.S.~~ ARTICLE 64 OF THIS TITLE 23  
3 should be placed with a division that has only this responsibility. The  
4 statutes for the implementation of this division are located in ~~article 59 of~~  
5 ~~title 12, C.R.S.~~ ARTICLE 64 OF THIS TITLE 23.

6 **SECTION 17.** In Colorado Revised Statutes, 24-1-114, **amend**  
7 (3)(d) as follows:

8 **24-1-114. Department of higher education - creation.** (3) The  
9 department of higher education shall include the following divisions:

10 (d) The private occupational school division, created by ~~article 59~~  
11 ~~of title 12, C.R.S.~~ ARTICLE 64 OF TITLE 23. The private occupational  
12 school board, created by ~~section 12-59-105.1, C.R.S.~~ SECTION 23-64-107,  
13 shall exercise its powers and perform its duties and functions as if  
14 transferred to the department by a **type 1** transfer. The division, except for  
15 the private occupational school board, and the director thereof shall  
16 exercise their powers and perform their duties and functions as if  
17 transferred to the department by a **type 2** transfer.

18 **SECTION 18.** In Colorado Revised Statutes, 24-34-104, **amend**  
19 (25) introductory portion and (25)(a)(X) as follows:

20 **24-34-104. General assembly review of regulatory agencies**  
21 **and functions for repeal, continuation, or reestablishment - legislative**  
22 **declaration - repeal.** (25) (a) The following agencies, functions, or both,  
23 ~~will~~ ARE SCHEDULED FOR repeal on September 1, 2024:

24 (X) The regulation of private occupational schools and their  
25 agents under ~~article 59 of title 12, C.R.S.~~ ARTICLE 64 OF TITLE 23,  
26 including the functions of the private occupational school division created  
27 in ~~section 12-59-104.1, C.R.S.~~ SECTION 23-64-105, and the private

1 occupational school board created in ~~section 12-59-105.1, C.R.S.~~ SECTION  
2 23-64-107;

3 **SECTION 19.** In Colorado Revised Statutes, 39-22-520, **amend**  
4 (2)(b)(II)(C) as follows:

5 **39-22-520. Credit against tax - investment in school-to-career**  
6 **program - definitions.** (2) (b) For purposes of this subsection (2):

7 (II) "Qualified school-to-career program" means a program that  
8 integrates school curriculum with job training, that encourages placement  
9 of students in jobs or internships that will teach them new skills and  
10 improve their school performance, and that is approved by:

11 (C) The private occupational school division created pursuant to  
12 ~~section 12-59-104.1, C.R.S.~~ SECTION 23-64-105; or

13 **SECTION 20. Repeal of relocated provisions in this act.** In  
14 Colorado Revised Statutes, **repeal** article 59 of title 12.

15 **SECTION 21. Act subject to petition - effective date.** This act  
16 takes effect at 12:01 a.m. on the day following the expiration of the  
17 ninety-day period after final adjournment of the general assembly (August  
18 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
19 referendum petition is filed pursuant to section 1 (3) of article V of the  
20 state constitution against this act or an item, section, or part of this act  
21 within such period, then the act, item, section, or part will not take effect  
22 unless approved by the people at the general election to be held in  
23 November 2018 and, in such case, will take effect on the date of the  
24 official declaration of the vote thereon by the governor.