

TEXAS WORKFORCE COMMISSION

Career Schools and Colleges

Citations Relating to Small Career Schools and Colleges

General Information Sheet

132.001 Definitions

- (10) “Small career school or college” means a career school or college that does not receive any payment from federal funds under *20 U.S.C. Section 1070 et seq.* and its subsequent amendments or a prepaid federal or state source as compensation in whole or in part for any student tuition and fees or other charges and either:
- (A) has an annual gross income from student tuition and fees that is less than or equal to \$100,000 for programs regulated by the agency;
 - (B) exclusively offers programs to assist students to prepare for an undergraduate or graduate course of study at a college or university; or
 - (C) exclusively offers programs to assist students, who have obtained, or who are in the process of obtaining, degrees after completing an undergraduate or graduate course of study at a college or university, to prepare for an examination.

132.064 Nonqualification as Small Career School and College

- (a) A career school or college operating as a small career school or college but that has an annual gross income from tuition and fees that exceeds \$100,000 (other than a test preparation school described by *Section 132.001(10)(B) or (C)* that intends to receive a payment from federal funds under *20 U.S.C. Section 1070 et seq.* or intends to receive prepayment of tuition, fees, or other charges from federal or state funds shall send written notice to the commission. The notice must be sent not later than the following date, as applicable:
- (1) the 60th day after the date on which annual gross income is determined to exceed the maximum;
 - (2) the day before receiving a payment of federal funds under *20 U.S.C. Section 1070 et seq.*; or
 - (3) the day before enrolling a student who will prepay tuition, a fee, or another charge in whole or in part from federal or state funds.
- (b) A career school or college that no longer qualifies as a small career school or college shall apply for an initial certificate of approval as a career school or college within 30 days after the date the school has notified the commission that it no longer qualifies as a small career school or college. The commission may apply or prorate any fees paid by the school as a small career school or college.
- (c) A career school or college that no longer qualifies as a small career school or college shall submit to the commission an amount of money equal to the difference between the fee for the small career school or college certificate of approval submitted by the school and the fee that the school would be required to submit after its qualifications as a small career school or college cease.

- (d) The authority of a career school or college to operate under a small career school or college certificate of approval terminates on the final determination of issuance or denial of an initial certificate of approval. If a school fails to file a complete application within the period required by *Subsection (b)*, the school, as a condition of issuance, must pay a late fee in an amount established by commission rule of at least \$100.

132.157. Penalty for Small Career Schools and Colleges

- (a) If a career school or college fails to timely comply with the requirements of *Section 132.064*, in addition to any other penalties authorized by law, the commission may assess a penalty in an amount not greater than two times the amount that the school would have paid in fees and other charges if the school had complied with the requirements of *Section 132.064* or may assess a penalty in the amount of the tuition or fee charge to any students whose tuition or fees were contracted to be funded by a prepaid federal or state source.
- (b) If the commission finds that the career school or college acted intentionally, the commission may, in addition to any other remedy available under law, assess a penalty against the owner in an amount not greater than four times the amount of the fees and charges that the school should have paid or four times the amount of the student tuition that was contracted to be funded from a prepaid federal or state source.
- (c) The failure to notify the commission within four months after the career school or college's earnings exceed that of a small career school or college gives rise to a rebuttable presumption of intent for purposes of assessment of a penalty.
- (d) The failure to notify the commission within 10 days after a career school or college has enrolled a student whose tuition or fees are paid in whole or in part from a prepaid federal or state source gives rise to a rebuttable presumption of intent for purposes of assessment of a penalty.
- (e) A penalty under this section shall be assessed in accordance with the procedures stated in *Section 132.152*.

Completed forms, inquiries, or corrections to the individual information contained in this form shall be sent to the TWC Career Schools and Colleges, 101 East 15th Street, Room 104T, Austin, Texas 78778-0001, (512) 936-3100. Individuals may receive and review information that TWC collects about the individual by emailing to open.records@twc.state.tx.us or writing to TWC Open Records, 101 E. 15th St., Rm. 266, Austin, TX 78778-0001.
