

Introduced by

Education Committee

(At the request of the State Board for Career and Technical Education)

1 A BILL for an Act to create and enact section 15-20.4-03.1 of the North Dakota Century Code,  
2 relating to fees provided to the state board for career and technical education for authorizations  
3 to operate private postsecondary institutions; and to amend and reenact sections 15-20.4-04  
4 and 15-20.4-06 and subsection 2 of section 15-20.4-15 of the North Dakota Century Code,  
5 relating to authorizations to operate private postsecondary institutions and use of false  
6 academic degrees.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1.** Section 15-20.4-03.1 of the North Dakota Century Code is created and  
9 enacted as follows:

10 **15-20.4-03.1. Authorization fee fund.** There is created an authorization fee fund into  
11 which fees provided to the board upon application for authorization to operate a postsecondary  
12 educational institution under section 15-20.4-03 must be deposited. The fund and interest  
13 earned on the fund may be spent by the board pursuant to legislative appropriation exclusively  
14 to carry out the intent and purpose of this chapter. This fund is not subject to section  
15 54-44.1-11.

16 **SECTION 2. AMENDMENT.** Section 15-20.4-04 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 **15-20.4-04. Minimum standards - Exceptions.**

19 1. All postsecondary educational institutions must be accredited by national or  
20 regional accrediting agencies recognized by the United States department of  
21 education. The board may additionally require such further evidence and make  
22 such further investigation as in its judgment may be necessary. Any  
23 postsecondary educational institution operating in this state seeking its first  
24 authorization to operate may be issued a provisional authorization to operate on an

1           annual basis until the institution becomes eligible for accreditation by a recognized  
2           accrediting agency. Upon completion of the accreditation process, the institution  
3           shall submit evidence of accreditation, or a substantial good-faith showing of  
4           progress toward such status. Only upon accreditation shall an institution become  
5           eligible for a regular authorization to operate.

6           2. This section does not apply to postsecondary educational institutions operating in  
7           this state ~~and enrolling ten or fewer students~~ that do not grant degrees and that  
8           offer mainly hands-on training in low census occupations, as determined by the  
9           board. "Degree" as used in this subsection means a document that provides  
10           evidence or demonstrates completion of a course of instruction that results in the  
11           attainment of a rank or level of associate or higher.

12           **SECTION 3. AMENDMENT.** Section 15-20.4-06 of the North Dakota Century Code is  
13           amended and reenacted as follows:

14           **15-20.4-06. Refund of tuition fees.** Postsecondary educational institutions shall  
15           refund tuition and other charges, other than a reasonable application fee, when written notice of  
16           cancellation is given by the student in accordance with the following schedule:

- 17           1. When notice is received prior to, or within seven days after completion of the first  
18           day of instruction, or after receipt of the first correspondence lesson by the  
19           institution, all tuition and other charges ~~except twenty five dollars thereof~~ must be  
20           refunded to the student.
- 21           2. When notice is received prior to, or within thirty days after completion of the first  
22           day of instruction, or prior to the completion of one-fourth of the educational  
23           services, all tuition and other charges except twenty-five percent thereof must be  
24           refunded to the student.
- 25           3. When notice is received upon or after completion of one-fourth of the educational  
26           services, but prior to the completion of one-half of the educational services, all  
27           tuition and other charges except fifty percent thereof must be refunded to the  
28           student.
- 29           4. When notice is received upon or after the completion of fifty percent of the  
30           educational services, no tuition or other charges may be refunded to the student.

1 The provisions of this section do not prejudice the right of any student to recovery in an action  
2 against any postsecondary educational institution for breach of contract or fraud.

3 **SECTION 4. AMENDMENT.** Subsection 2 of section 15-20.4-15 of the North Dakota  
4 Century Code is amended and reenacted as follows:

5 2. a. It is unlawful for an individual to knowingly use or claim to have a false  
6 academic degree:

- 7 (1) To obtain employment;  
8 (2) To obtain a promotion ~~of~~ or higher compensation in employment;  
9 (3) To obtain admission to an institution of higher learning; or  
10 (4) In connection with any business, trade, profession, or occupation.

11 b. An individual who violates this subsection is guilty of a class A misdemeanor.