[First Reprint]

ASSEMBLY, No. 4680



STATE OF NEW JERSEY

220th LEGISLATURE



INTRODUCED SEPTEMBER 29, 2022

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Assemblywomen Jimenez, Haider, McKnight and Lampitt

SYNOPSIS

 Clarifies that law concerning requirements for closure of private career school applies to certain schools licensed by New Jersey State Board of Cosmetology and Hairstyling.

CURRENT VERSION OF TEXT

 As reported by the Assembly Higher Education Committee on October 13, 2022, with amendments.



**An Act** concerning private career schools and amending **1**and supplementing**1** P.L.2021, c.27.

 Be It Enacted by the Senate and General Assembly of the State of New Jersey:

 1. Section 14 of P.L.2021, c.27 (C.34:15C-10.3) is amended to read as follows:

 14. As used in sections 14 through 20 of P.L.2021, c.27 (C.34:15C-10.3 through C.34:15C-10.9):

 "Closure" means the cessation of operations by a private career school.

 "Commissioner" means the Commissioner of Labor and Workforce Development.

 "Disorderly closure" means a closure that does not meet the requirements of P.L.2021, c.27 (C.18A:3B-90 et al.).

 "Eligible transfer institution" means a private career school that has been approved by the commissioner pursuant to section 17 of P.L.2021, c.27 (C.34:15C-10.6).

 "Institutional debt" means:

 (1) the amount outstanding on any credit, including unpaid charges, extended by or on behalf of a private career school that a student is obligated to repay, whether the amount has been reduced to a judgment or the school classifies it as a loan; or

 (2) a nonfederal loan or debt agreement that is issued expressly for postsecondary education expenses and that is guaranteed by a private career school or a private educational lender that is affiliated with a private career school.

 "Institutional financial aid agreement" means any contract, promissory note, part of an enrollment agreement, or other agreement in which a student agrees to pay an institutional debt.

 "Orderly closure" means a closure that meets the requirements of P.L.2021, c.27 (C.18A:3B-90 et al.).

 "Private career school" means a privately owned and privately operated postsecondary school, other than an institution of higher education or proprietary institution licensed to offer academic degrees, that furnishes or offers to furnish programs, whether or not requiring a payment of tuition or fee, for the purpose of training, retraining, or upgrading individuals for gainful employment as workers in recognized or emerging occupations. “Private career school” shall include a privately owned and privately operated postsecondary school, other than an institution of higher education or proprietary institution licensed to offer academic degrees, licensed by the New Jersey State Board of Cosmetology and Hairstyling for the purpose of teaching cosmetology and hairstyling,

beauty culture, barbering, manicuring, hair braiding, skin care specialty, or any other specialty the board may be authorized to regulate, to registered students.

 "Student" means an individual enrolled at a private career school in New Jersey, or a New Jersey resident enrolled at a private career school located outside of this State.

 "Teach-out agreement" means a written agreement between schools that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study if a school, or a school location that provides 100 percent of at least one program offered, ceases to operate before all enrolled students have completed their program of study.

 "Teach-out plan" means a written plan developed by the school that provides for the equitable treatment of students if a school, or a school location, ceases to operate before all students have completed their program of study, and may include, if required by the school's accrediting agency, a teach-out agreement between schools.

(cf: P.L.2021, c.27, s.14)

 **1**2. (New section) The New Jersey State Board of Cosmetology and Hairstyling shall develop a model teach-out plan for use by a private career school licensed by the board in submitting the teach-out plan to the commissioner as required pursuant to subsection b. of section 15 of P.L.2021, c.27 (C.34:15C-10.4). The model teach-out plan shall be available by September 1, 2023.**1**

 **1[**2.**]** 3.**1** This act shall take effect immediately, and shall apply retroactively to September 1, 2021.