



# Common Sense Initiative

Mike DeWine, *Governor*  
Jon Husted, *Lt. Governor*

Joseph Baker, *Director*

## MEMORANDUM

**TO:** John Ware, Ohio State Board of Career Colleges and Schools

**FROM:** Caleb White, Business Advocate

**DATE:** February 16, 2024

**RE:** **CSI Review – 2023 Rule Review (OAC 3332-1-02, 3332-1-03, 3332-1-04.1, 3332-1-04.2, 3332-1-04.4, 3332-1-04.5, 3332-1-05, 3332-1-07, 3332-1-09, 3332-1-10.1, 3332-1-13, 3332-1-15, 3332-1-22, 3332-1-23, 3332-1-24, 3332-1-27, 3332-1-28, 3332-1-29, 3332-1-30, and 3332-1-31)**

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On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Board as provided for in ORC 107.54.

### Analysis

This rule package consists of seven amended and thirteen no-change rules proposed by the Ohio State Board of Career Colleges and Schools (Board) as a part of the statutory five-year review process. This rule package was submitted to the CSI Office on December 14, 2023, and the public comment period was open through January 16, 2024. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on December 14, 2023. This package originally consisted of six amended and fourteen no-change rules but after the CSI public comment period ended, the Board chose to adopt a technical change to OAC 3332-1-03 which was originally submitted as a no-change rule.

The rules in this package establish various regulations surrounding career colleges and schools such as definitions, the registration and registration renewal of schools and programs, exempt schools, the requirements for a school's change of address, the name of a school, equipment and facility requirements, student enrollment policies and practices, the requirements for a refund for books and

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supplies, surety bond requirements, the process for program authorization, annual report requirements, graduation and placement requirements, as well as requirements surrounding the storage and access of personal information.

Ohio Administrative Code (OAC) 3332-1-02 establishes the definitions used in this section of the OAC. This rule is amended to change the definitions for “certificate” and “diploma” to “certificate program” and “diploma program” and clarify that in special cases non-technical courses can be categorized as a “certificate program.” This rule is also amended to restrict the use of the term “college” in a school’s name to schools approved to offer degree level programs and adjust the definition of “teach-out” to include a school discontinuing a program. OAC 3332-1-03 establishes schools not subject to the requirements in these rules and is amended to make a technical change.

OAC 3332-1-04.1, 3332-1-04.2, and 3332-1-04.4 establish the requirements surrounding school address changes, school names, and the process for renewing a certificate of registration. OAC 3332-1-04.5 establishes what acts can lead to the suspension or revocation of a school’s certificate of registration. This rule is amended to add social media to the list of mediums in which disciplinary action may result if false or deceptive statements are made through those platforms.

OAC 3332-1-05 requires out-of-state schools to obtain a certificate of registration and program authorization to solicit students in Ohio and outlines the requirements and process for a school to obtain them. OAC 3332-1-07 establishes the equipment and facilities requirements for schools and is amended to make a capitalization edit and require in-person recruiting activities to comply with all local, state, and federal fire, safety, health, and sanitation codes or regulations.

OAC 3332-1-09 establishes the requirements surrounding student enrollment policies and practices. This rule is amended to require all enrollment agreements and catalogs to be reviewed once every two years and at the time of program or institutional changes, to note the revision dates for such reviews, to update admission requirements to clarify language surrounding program admissions, and to update and streamline language. OAC 3332-1-10.1 establishes the requirements and process for a student to obtain a refund for books, fees, and supplies. OAC 3332-1-13 establishes the requirements surrounding surety bonds.

OAC 3332-1-15 establishes the requirements and process for obtaining program authorization. This rule is amended to allow a school to discontinue a program if the program has been completed via a teach-out. OAC 3332-1-22 establishes the fees for certificates of registration and program authorization. OAC 3332-1-23 requires the Board to publish an annual report and establishes the Board’s ability to take disciplinary action against schools that do not provide timely and complete report data. OAC 3332-1-24 establishes the requirements and process surrounding the tracking of

graduation and job placement rates and requires schools to assist students with job placement after graduation. This rule is amended to change what evidence regarding graduation rates and job placement rates must be submitted and to clarify the graduation rate calculation for part-time students. OAC 3332-1-27 through 3331-1-31 establishes the requirements surrounding the logging, storage, access, and confidentiality of personal information.

During early stakeholder outreach, the Board developed the rules using their review committee which is comprised of members of the Board and representatives from registered schools. The review committee reviewed the rules at their meeting on May 31, 2023, and presented their feedback to the Board on September 26, 2023. In response, the Board made changes to incorporate the suggestions they received from stakeholders during this period. No comments were received during the CSI public comment period, but the Board did adopt minor technical changes to OAC 3332-1-03, 3332-1-04.5, and 3332-1-09.

The business community impacted by these rules includes approximately 220 registered career colleges and schools. The adverse impacts created by these rules include the time, fees, and other costs associated with obtaining and maintaining a license or permit to operate, the requirement to provide annual report data, and the possible disciplinary action for violations of the rules including late fees and the potential suspension, denial revocation or refusal to renew a certificate of registration or program authorization. The Board states that the adverse impacts are necessary to establish the minimum standards for the registration and operation of private career colleges and schools in Ohio.

### **Recommendations**

Based on the information above, the CSI Office has no recommendations on this rule package.

### **Conclusion**

The CSI Office concludes that the Board should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.