MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)

	SECOND REGULAR SESSION		
	ONE HUNDRED AND	ELEVENTH	LEGISLATURE
Leg	islative Document		No. 2073
H.F	. 1564	House of Rep	resentatives, February 13, 1984
purs prin	Submitted by the Department uant to Joint Rule 24. Reference to the Committee oted.		
	sented by Representative Brow Copsonsors: Representative C Orono.		EDWIN H. PERT, Cleri hburn and Representative Bott
	STATI	E OF MAIN	Ξ
	IN THE YI NINETEEN HUNDI	EAR OF OUI	
	AN ACT to Amend to the Approval of and Trade and	Correspo	ondence Schools
	it enacted by the Ped lows:	ople of th	ne State of Maine as
PL	Sec. 1. 20-A MRSA 1981, c. 693, §§5 and		sub-§1, as enacted by mended to read:
cat tic	bonding and revocated to for a certificated to 9201 shall be made missioner and shall be to be a shall	ion of cer e of appro on forms be accompa	certification peri- rtificate. The appli- oval required in sec- s furnished by the anied by a fee of \$50 um of \$1,000 \$10,000.
	A. A certificate sh year in which it is		alid for the calendar

- B. The bond shall be continuous and shall provide indemnification to any student suffering loss as a result of any fraud or misrepresentation by the school. The bond shall provide for written notification by the surety to the department in the event of cancellation. Cancellation of the bond by the surety shall result in the revocation of the certificate of approval.
 - Sec. 2. 20-A MRSA §9502, sub-§1, as enacted by
 PL 1981, c. 693, §§5 and 8, is amended to read:
 - 1. Application requirements; certification; bonding and cancellation of certificate. The application for a certificate of approval required in section 9501 shall be made on forms furnished by the commissioner and shall be accompanied by a fee of \$100 and a surety bond in the penal sum of \$1,000 \$10,000.
 - A. A certificate of approval is valid for the calendar year in which it is issued.
 - B. The bond shall be continuous and shall provide indemnification to any student suffering loss as a result of any fraud or misrepresentation. The bond shall provide for written notification by the surety to the department in the event of cancellation. Cancellation of the bond by the surety shall result in the revocation of the certificate of approval.

28 STATEMENT OF FACT

 Due to the increasing costs of education that must be met by today's students, there is a need to raise the bonding requirement. For the protection of the student, a \$1,000 bond is not realistic in relation to the amount of funds they have to expend to further their educational goals. Current economics could also bring about a potential increase in the number of schools which may close, perhaps, on very short notice, with school officials being unable to make refunds to students, as would be appropriate.

39 5476121383