

1-1 By: Morrison (Senate Sponsor - West) H.B. No. 2806
1-2 (In the Senate - Received from the House May 2, 2005;
1-3 May 3, 2005, read first time and referred to Subcommittee on Higher
1-4 Education; May 19, 2005, reported favorably to Committee on
1-5 Education; May 23, 2005, reported favorably from Committee on
1-6 Education by the following vote: Yeas 7, Nays 0; May 23, 2005,
1-7 sent to printer.)

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the regulation of career schools and colleges.
1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-12 SECTION 1. Section 132.001, Education Code, is amended by
1-13 amending Subdivisions (8) and (9) and adding Subdivisions (1-a),
1-14 (1-b), and (14) to read as follows:
1-15 (1-a) "Class" or "course" means an identifiable unit
1-16 of instruction that is part of a program of instruction.
1-17 (1-b) "Course time" means a course or class period as
1-18 follows:
1-19 (A) a 50-minute to 60-minute lecture,
1-20 recitation, or class, including a laboratory class or shop
1-21 training, in a 60-minute period;
1-22 (B) a 50-minute to 60-minute internship in a
1-23 60-minute period; or
1-24 (C) 60 minutes of preparation in asynchronous
1-25 distance education.
1-26 (8) "Person" means any individual, firm, partnership,
1-27 association, corporation, limited liability company, or other
1-28 private entity or combination.
1-29 (9) "Unearned tuition" means total tuition and fees
1-30 subject to refund under Section 132.061[~~, total tuition and fees~~
1-31 ~~collected from students currently enrolled, and total tuition and~~
1-32 ~~fees collected from prospective students].
1-33 (14) "Program" or "program of instruction" means a~~
1-34 postsecondary program of organized instruction or study that may
1-35 lead to an academic, professional, or vocational degree,
1-36 certificate, or other recognized educational credential.
1-37 SECTION 2. Section 132.004, Education Code, is amended to
1-38 read as follows:
1-39 Sec. 132.004. EXCLUSIVE OFFERING OF EXEMPTED COURSES OR
1-40 PROGRAMS BY BUSINESS ENTERPRISE. A business enterprise that
1-41 offers exclusively courses or programs of instruction that are
1-42 exempt under Section 132.002 or 132.003 is exempt from this
1-43 chapter.
1-44 SECTION 3. Section 132.051, Education Code, is amended to
1-45 read as follows:
1-46 Sec. 132.051. CERTIFICATE OF APPROVAL. (a) A career school
1-47 or college may not maintain, advertise, solicit for, or conduct any
1-48 program [~~course~~] of instruction in this state until [~~before the~~
1-49 ~~later of:~~
1-50 ~~(1) the 30th day after the date the school or college~~
1-51 ~~applies for a certificate of approval under this chapter, or~~
1-52 ~~(2) the date]~~ the career school or college receives a
1-53 certificate of approval from the commission.
1-54 (b) Any contract entered into with any person for a program
1-55 [~~course~~] of instruction by or on behalf of any person operating any
1-56 career school or college to which a certificate of approval has not
1-57 been issued pursuant to this chapter is unenforceable in any action
1-58 brought thereon. Any note, other instrument of indebtedness, or
1-59 contract relating to payment for educational services obtained from
1-60 a career school or college that does not hold a certificate of
1-61 approval issued under this chapter is unenforceable in any action
1-62 brought on the note, instrument, or contract.
1-63 SECTION 4. Section 132.055, Education Code, is amended to
1-64 read as follows:

2-1 Sec. 132.055. CRITERIA. (a) The commission may approve the
 2-2 application of a ~~[such]~~ career school or college when the school or
 2-3 college is found, upon investigation at the premises of the school
 2-4 or college, to have met the ~~[following]~~ criteria specified by
 2-5 Subsection (b). ~~[+]~~

2-6 (b)(1) ~~[(a)]~~ The programs ~~[courses]~~, curriculum, and
 2-7 instruction are of such quality, content, and length as may
 2-8 reasonably and adequately achieve the stated objective for which
 2-9 the programs ~~[courses]~~, curriculum, or instruction is offered.
 2-10 Before a career school or college conducts a program ~~[course]~~ of
 2-11 instruction in court reporting, the school or college must produce
 2-12 evidence that the school or college has obtained approval for the
 2-13 curriculum from the Court Reporters Certification Board.

2-14 (2) ~~[(b)]~~ There is in the school or college adequate
 2-15 space, equipment, instructional material, and instructor personnel
 2-16 to provide training of good quality.

2-17 (3) ~~[(c)]~~ Educational and experience qualifications
 2-18 of directors, administrators, and instructors are adequate.

2-19 (4) ~~[(d)]~~ The school or college maintains a written
 2-20 record of the previous education and training of the applicant
 2-21 student that ~~[and]~~ clearly indicates that appropriate credit has
 2-22 been given by the school or college for previous education and
 2-23 training, with the new training period shortened where warranted
 2-24 through use of appropriate skills or achievement tests and the
 2-25 student so notified.

2-26 (5) The school or college provides a copy of each of
 2-27 the following to each student before enrollment: ~~[(e) A copy of]~~
 2-28 the applicable program ~~[course]~~ outline; the schedule of tuition,
 2-29 fees, ~~[refund policy],~~ and other charges and of refunds;
 2-30 regulations pertaining to ~~[absence,]~~ grading ~~[policy],~~ including
 2-31 incomplete grades; ~~[and]~~ rules of operation and conduct;
 2-32 ~~[regulations pertaining to incomplete grades;]~~ the name, mailing
 2-33 address, and telephone number of the commission for the purpose of
 2-34 directing complaints to the agency; and the current rates of job
 2-35 placement and employment of students issued a certificate of
 2-36 completion ~~[, and notification of the availability of the cost~~
 2-37 ~~comparison information prepared under Section 132.021(b) through~~
 2-38 ~~the commission will be furnished the student prior to enrollment].~~

2-39 (6) ~~[(f)]~~ Except as provided by Section 132.062, on
 2-40 completion of training, the student is given a certificate by the
 2-41 school or college indicating the program ~~[course]~~ and that training
 2-42 was satisfactorily completed.

2-43 (7) ~~[(g)]~~ Adequate records as prescribed by the
 2-44 commission are kept to show ~~[attendance and]~~ progress or grades,
 2-45 and satisfactory standards relating to ~~[attendance,]~~ progress ~~[,]~~
 2-46 and conduct are enforced.

2-47 (8) ~~[(h)]~~ The school or college complies with all
 2-48 local, city, county, municipal, state, and federal rules and
 2-49 regulations, such as fire, building, and sanitation codes. The
 2-50 commission may require such evidence of compliance as is deemed
 2-51 necessary.

2-52 (9) ~~[(i)]~~ The school or college is financially sound
 2-53 and capable of fulfilling its commitments for training.

2-54 (10) ~~[(j)]~~ The school's or college's administrators,
 2-55 directors, owners, and instructors are of good reputation and
 2-56 character.

2-57 (11) ~~[(k)]~~ The school or college has, maintains, and
 2-58 publishes in its catalogue and enrollment contract the proper
 2-59 policy for the refund of the unused portion of tuition, fees, and
 2-60 other charges in the event the student enrolled by the school or
 2-61 college in a program of instruction fails to take the program
 2-62 [course] or withdraws or is discontinued from the program
 2-63 ~~therefrom~~ at any time prior to completion.

2-64 (12) ~~[(l)]~~ The school or college does not utilize
 2-65 erroneous or misleading advertising, either by actual statement,
 2-66 omission, or intimation as determined by the commission.

2-67 (13) The school or college meets ~~[(m) Such]~~ additional
 2-68 criteria as may be required by the commission.

2-69 (14) ~~[(n)]~~ The school or college does not use a name

3-1 like or similar to an existing school or college unless the
 3-2 commission approves the school's or college's use of the name.

3-3 (15) [~~(e)~~] The school or college furnishes to the
 3-4 commission the current rates of students who receive a certificate
 3-5 of completion and of job placement and employment of students
 3-6 issued a certificate of completion.

3-7 (16) [~~(p)~~] The school or college furnishes to the
 3-8 commission for approval or disapproval student admission
 3-9 requirements for each [~~course or~~] program offered by the school or
 3-10 college.

3-11 (17) [~~(q)~~] The school or college furnishes to the
 3-12 commission for approval or disapproval the course times [~~hour~~
 3-13 ~~lengths~~] and curriculum content for each program [~~course~~] offered
 3-14 by the school or college.

3-15 (18) [~~(r)~~] The school or college does not owe a penalty
 3-16 under Section 132.152, 132.155, or 132.157.

3-17 SECTION 5. Sections 132.056(a) and (c), Education Code, are
 3-18 amended to read as follows:

3-19 (a) The commission, upon review of an application for a
 3-20 certificate of approval duly submitted in accordance with Section
 3-21 132.052 and meeting the requirements of Section 132.055, shall
 3-22 issue a certificate of approval to the applicant career school or
 3-23 college. The certificate of approval shall be in a form prescribed
 3-24 by the commission and shall state in a clear and conspicuous manner
 3-25 at least the following information:

3-26 (1) date of issuance, effective date, and term of
 3-27 approval; and

3-28 (2) correct name and address of the school or
 3-29 college;

3-30 [~~(3) authority for approval and conditions of~~
 3-31 ~~approval, if any, referring specifically to the approved catalogue~~
 3-32 ~~or bulletin published by the school or college;~~

3-33 [~~(4) signature of the agency administrator; and~~

3-34 [~~(5) any other fair and reasonable representations~~
 3-35 ~~that are consistent with this chapter and deemed necessary by the~~
 3-36 ~~commission].~~

3-37 (c) The certificate of approval shall be issued to the owner
 3-38 of the applicant career school or college and is nontransferable.
 3-39 In the event of a change in ownership of the school or college, a new
 3-40 owner must, at least 30 days prior to the change in ownership,
 3-41 apply, in the manner prescribed by the commission, for a new
 3-42 certificate of approval.

3-43 SECTION 6. Section 132.061, Education Code, is amended by
 3-44 amending Subsections (b), (c), (d), (g), and (h) and adding
 3-45 Subsections (j) and (k) to read as follows:

3-46 (b) Except as provided by Subsection (g), as a condition for
 3-47 granting certification each career school or college must maintain
 3-48 a policy for the refund of the unused portion of tuition, fees, and
 3-49 other charges in the event the student, after expiration of the
 3-50 72-hour cancellation privilege, fails to enter a program in which
 3-51 the student is enrolled or [~~the course,~~] withdraws [~~7~~]
 3-52 or is discontinued from the program [~~therefrom~~] at any time prior to
 3-53 completion, and such policy must provide:

3-54 (1) refunds for resident programs [~~courses~~] and
 3-55 synchronous distance education courses will be based on the period
 3-56 of enrollment computed on the basis of course time [~~expressed in~~
 3-57 ~~clock hours~~];

3-58 (2) the effective date of [~~the~~] termination for refund
 3-59 purposes in residence career schools or colleges will be the
 3-60 earliest of the following:

3-61 (A) the last date of attendance, if the student
 3-62 is terminated by the school or college;

3-63 (B) the date of receipt of written notice from
 3-64 the student; or

3-65 (C) 10 school days following the last date of
 3-66 attendance;

3-67 (3) if tuition and fees are collected in advance of
 3-68 entrance, and if, after expiration of the 72-hour cancellation
 3-69 privilege, the student does not enter the residence career school

4-1 or college, not more than \$100 shall be retained by the school or
4-2 college;

4-3 (4) for the student who enters a residence program or a
4-4 synchronous distance education course of not more than 12 months in
4-5 length, terminates, or withdraws, the school or college may retain
4-6 \$100 of tuition and fees and the minimum refund of the remaining
4-7 tuition and fees will be:

4-8 (A) during the first week or one-tenth of the
4-9 program or course, whichever is less, 90 percent of the remaining
4-10 tuition and fees;

4-11 (B) after the first week or one-tenth of the
4-12 program or course, whichever is less, but within the first three
4-13 weeks or one-fifth of the program or course, whichever is less, 80
4-14 percent of the remaining tuition and fees;

4-15 (C) after the first three weeks or one-fifth of
4-16 the program or course, whichever is less, but within the first
4-17 quarter of the program or course, 75 percent of the remaining
4-18 tuition and fees;

4-19 (D) during the second quarter of the program or
4-20 course, 50 percent of the remaining tuition and fees;

4-21 (E) during the third quarter of the program or
4-22 course, 10 percent of the remaining tuition and fees; or

4-23 (F) during the last quarter of the program or
4-24 course, the student may be considered obligated for the full
4-25 tuition and fees;

4-26 (5) for residence programs or synchronous distance
4-27 education courses more than 12 months in length, the refund shall be
4-28 applied to each 12-month period paid, or part thereof separately,
4-29 and the student is entitled to a refund as provided by Subdivision
4-30 (4);

4-31 (6) refunds of items of extra expense to the student,
4-32 such as instructional supplies, books, student activities,
4-33 laboratory fees, service charges, rentals, deposits, and all other
4-34 such ancillary miscellaneous charges, where these items are
4-35 separately stated and shown in the data furnished the student
4-36 before enrollment, will be made in a reasonable manner acceptable
4-37 to the commission;

4-38 (7) refunds based on enrollment in residence and
4-39 synchronous distance education schools or colleges will be totally
4-40 consummated within 60 days after the effective date of termination;

4-41 (8) refunds for asynchronous distance education
4-42 courses will be computed on the basis of the number of lessons in
4-43 the course;

4-44 (9) the effective date of [~~the~~] termination for refund
4-45 purposes in asynchronous distance education courses will be the
4-46 earliest of the following:

4-47 (A) the date of notification to the student if
4-48 the student is terminated;

4-49 (B) the date of receipt of written notice from
4-50 the student; or

4-51 (C) the end of the third calendar month following
4-52 the month in which the student's last lesson assignment was
4-53 received unless notification has been received from the student
4-54 that the student wishes to remain enrolled;

4-55 (10) if tuition and fees are collected before any
4-56 lessons for a program have been completed, and if, after expiration
4-57 of the 72-hour cancellation privilege, the student fails to begin
4-58 the program [~~course~~], not more than \$50 shall be retained by the
4-59 school or college;

4-60 (11) in cases of termination or withdrawal after the
4-61 student has begun the asynchronous distance education course, the
4-62 school or college may retain \$50 of tuition and fees, and the
4-63 minimum refund policy must provide that the student will be
4-64 refunded the pro rata portion of the remaining tuition, fees, and
4-65 other charges that the number of lessons completed and serviced by
4-66 the school or college bears to the total number of lessons in the
4-67 course; and

4-68 (12) refunds based on enrollment in asynchronous
4-69 distance education schools or colleges will be totally consummated

5-1 within 60 days after the effective date of termination.

5-2 (c) In lieu of the refund policy herein set forth, for
5-3 programs of instruction not regularly offered to the public, the
5-4 commission may, for good cause shown, amend, modify, or substitute
5-5 the terms of a career school's or college's policy due to the
5-6 specialized nature and objective of the school's or college's
5-7 program [course] of instruction.

5-8 (d) If a program [course] of instruction is discontinued by
5-9 the career school or college and this prevents the student from
5-10 completing the program [course], all tuition and fees paid are then
5-11 due and refundable.

5-12 (g) A program that is 40 hours or less of course [class]
5-13 time, or a seminar or workshop, is exempt from the 72-hour rule
5-14 provided by Subsection (a). The career school or college shall
5-15 maintain a policy for the refund of the unused portion of tuition,
5-16 fees, and other charges in the event the student fails to enter the
5-17 program or [course,] withdraws [~~from the course,~~] or is
5-18 discontinued from the program [class] at any time before completion
5-19 of the program [course] as provided by this section. The policy
5-20 must provide that:

5-21 (1) refunds are based on the period of enrollment
5-22 computed on the basis of course time [~~expressed in clock hours~~];

5-23 (2) the effective date of [~~the~~] termination for refund
5-24 purposes is the earlier of:

5-25 (A) the last date of attendance; or

5-26 (B) the date the school or college receives
5-27 written notice from the student that the student is withdrawing
5-28 from the class; and

5-29 (3) the student will be refunded the pro rata portion
5-30 of tuition, fees, and other charges that the number of [~~class~~] hours
5-31 of course time remaining in the student's program [course] after
5-32 the effective date of [~~the~~] termination bears to the total number of
5-33 [~~class~~] hours of course time in the program [course].

5-34 (h) A closing career school or college shall, subject to
5-35 Section 132.242, make a full refund to each student of the school or
5-36 college who is owed a refund under this section.

5-37 (j) A career school or college that is eligible to
5-38 participate in student financial aid programs under Title IV,
5-39 Higher Education Act of 1965 (20 U.S.C. Section 1070 et seq.), shall
5-40 make refunds in accordance with the policy adopted under Subsection
5-41 (b), except that the effective date of termination for refund
5-42 purposes is the earlier of:

5-43 (1) the date of receipt of written notice from the
5-44 student that the student is withdrawing; or

5-45 (2) the date of the student's withdrawal, as
5-46 determined in accordance with 34 C.F.R. Section 668.22(c), for a
5-47 career school or college that is not required to take attendance.

5-48 (k) The commission may adopt rules governing records
5-49 necessary to make refunds authorized by this chapter.

5-50 SECTION 7. Subchapter C, Chapter 132, Education Code, is
5-51 amended by adding Section 132.065 to read as follows:

5-52 Sec. 132.065. SCHOOLS NOT REQUIRED TO TAKE ATTENDANCE. A
5-53 career school or college that is eligible to participate in student
5-54 financial aid programs under Title IV, Higher Education Act of 1965
5-55 (20 U.S.C. Section 1070 et seq.), is not required to take
5-56 attendance.

5-57 SECTION 8. Section 132.151, Education Code, is amended to
5-58 read as follows:

5-59 Sec. 132.151. PROHIBITIONS. A person may not:

5-60 (1) operate a career school or college without a
5-61 certificate of approval issued by the commission;

5-62 (2) solicit prospective students for or on behalf of a
5-63 career school or college without being registered as a
5-64 representative of the career school or college as required by this
5-65 chapter;

5-66 (3) accept contracts or enrollment applications from a
5-67 representative who is not bonded as required by this chapter;

5-68 (4) utilize advertising designed to mislead or deceive
5-69 prospective students;

6-1 (5) fail to notify the commission of the
 6-2 discontinuance of the operation of any career school or college
 6-3 within 72 hours of cessation of classes and make available accurate
 6-4 records as required by this chapter;

6-5 (6) ~~[fail to secure and file within 30 days an~~
 6-6 ~~increased bond as required by this chapter,~~

6-7 [~~7~~] negotiate any promissory instrument received as
 6-8 payment of tuition or other charge prior to completion of 75 percent
 6-9 of the applicable program ~~[course]~~, provided that prior to such
 6-10 time, the instrument may be transferred by assignment to a
 6-11 purchaser who shall be subject to all the defenses available
 6-12 against the career school or college named as payee; or

6-13 (7) [~~8~~] violate any provision of this chapter.

6-14 SECTION 9. Sections 132.201(a) and (d), Education Code, are
 6-15 amended to read as follows:

6-16 (a) Certificate and registration fees, except those charged
 6-17 pursuant to Subsection (d), shall be collected by the commission.
 6-18 Each fee shall be in an amount set by the commission in an amount not
 6-19 to exceed 150 percent of each fee in the following schedule:

6-20 (1) the initial fee for a career school or college:

6-21 (A) for a certificate of approval is \$2,000; or

6-22 (B) for a small career school or college
 6-23 certificate of approval is \$1,000;

6-24 (2) the first renewal fee and each subsequent renewal
 6-25 fee for a career school or college is the greater of:

6-26 (A) an amount that is determined by applying a
 6-27 percentage, not to exceed 0.3 percent, to the gross tuition and
 6-28 fees, excluding refunds as provided by Section 132.061, of the
 6-29 school or college; or

6-30 (B) \$500;

6-31 (3) the initial registration fee for a representative
 6-32 is \$60;

6-33 (4) the annual renewal fee for a representative is
 6-34 \$30;

6-35 (5) the fee for a change of a name of a career school or
 6-36 college or owner is \$100;

6-37 (6) the fee for a change of an address of a career
 6-38 school or college is \$180;

6-39 (7) the fee for a change in the name or address of a
 6-40 representative or a change in the name or address of a career school
 6-41 or college that causes the reissuance of a representative permit is
 6-42 \$10;

6-43 (8) the application fee for an additional program
 6-44 ~~[course]~~ is \$150, except for seminars ~~[seminar]~~ and workshops
 6-45 ~~[workshop courses]~~, for which the fee is \$25;

6-46 (9) the application fee for a director, administrative
 6-47 staff member, or instructor is \$15;

6-48 (10) the application fee for the authority to grant
 6-49 degrees is \$2,000;

6-50 (11) the application fee for an additional degree
 6-51 program ~~[course]~~ is \$250; and

6-52 (12) the fee for an inspection required by commission
 6-53 rule of classroom facilities that are separate from the main campus
 6-54 is \$250.

6-55 (d) In connection with the regulation of any career school
 6-56 or college or program ~~[course]~~ through a memorandum of
 6-57 understanding pursuant to Section 132.002(c), the commission shall
 6-58 set an application and annual renewal fee, not to exceed \$2,000. The
 6-59 fee shall be an amount reasonably calculated to cover the
 6-60 administrative costs associated with assuming the additional
 6-61 regulation.

6-62 SECTION 10. Section 132.2415(d), Education Code, is amended
 6-63 to read as follows:

6-64 (d) From money in the career school or college tuition trust
 6-65 account, the commission shall attempt to provide a full refund to
 6-66 each student of a closed career school or college of the amount owed
 6-67 to the student as determined under Section 132.061. The commission
 6-68 may provide a partial refund to a student only if the commission
 6-69 determines that the amount in the trust account is insufficient to

7-1 provide a full refund to the student. The commission shall consider
 7-2 the following factors in determining the amount of a partial refund
 7-3 to be paid to a student:

- 7-4 (1) the amount of money in the trust account;
 7-5 (2) the cost and number of claims against the trust
 7-6 account resulting from closure of the school or college;
 7-7 (3) the average cost of a claim paid from the trust
 7-8 account in the past; and
 7-9 (4) the availability of other ~~[licensed career]~~
 7-10 schools or colleges, regardless of whether the school or college is
 7-11 a career school or college, at which the student may complete the
 7-12 student's training.

7-13 SECTION 11. Sections 132.242(a), (b), (c), (d), and (f),
 7-14 Education Code, are amended to read as follows:

7-15 (a) If a career school or college closes, the commission
 7-16 shall attempt to arrange for students of the closed school or
 7-17 college to attend another ~~[career]~~ school or college, regardless of
 7-18 whether the school or college is a career school or college.

7-19 (b) The expense incurred by a school or college, regardless
 7-20 of whether the school or college is a career school or college, in
 7-21 providing a teachout that is directly related to educating a
 7-22 student placed in the school or college under this section,
 7-23 including the applicable tuition for the period for which the
 7-24 student has paid tuition, shall be paid from the career school or
 7-25 college tuition trust account.

7-26 (c) If the student cannot be placed in another school or
 7-27 college, regardless of whether the school or college is a career
 7-28 school or college, the student's tuition and fees shall be refunded
 7-29 under Section 132.061(d).

7-30 (d) If a student does not accept a place that is available
 7-31 and reasonable in another school or college, regardless of whether
 7-32 the school or college is a career school or college, the student's
 7-33 tuition and fees shall be refunded under the refund policy
 7-34 maintained by the closing career school or college under Section
 7-35 132.061.

7-36 (f) If another school or college, regardless of whether the
 7-37 school or college is a career school or college, assumes
 7-38 responsibility for the closed career school's or college's students
 7-39 with no significant changes in the quality of training, the student
 7-40 is not entitled to a refund under Subsection (c) or (d).

7-41 SECTION 12. Sections 132.021(b) and 132.056(e), Education
 7-42 Code, are repealed.

7-43 SECTION 13. (a) The change in law made by this Act to
 7-44 Section 132.051(a), Education Code, applies to the date on which a
 7-45 career school or college may begin maintaining, advertising,
 7-46 soliciting for, or conducting a program only if the school or
 7-47 college submits a certificate of approval application on or after
 7-48 the date this Act takes effect. If the career school or college
 7-49 submits a certificate of approval application before the date this
 7-50 Act takes effect, the date on which a career school or college may
 7-51 begin maintaining, advertising, soliciting for, or conducting a
 7-52 program is governed by the law in effect on the date the certificate
 7-53 of approval application was submitted, and the former law is
 7-54 continued in effect for that purpose.

7-55 (b) The change in law made by this Act to Section
 7-56 132.051(b), Education Code, applies only to a contract entered into
 7-57 on or after the date this Act takes effect. A contract entered into
 7-58 before the date this Act takes effect is governed by the law in
 7-59 effect on the date the contract was entered into, and the former law
 7-60 is continued in effect for that purpose.

7-61 SECTION 14. The change in law made by this Act to Section
 7-62 132.055, Education Code, applies only to a certificate of approval
 7-63 application submitted to the Texas Workforce Commission on or after
 7-64 the date this Act takes effect. A certificate of approval
 7-65 application submitted before the date this Act takes effect is
 7-66 governed by the law in effect on the date the application was
 7-67 submitted, and the former law is continued in effect for that
 7-68 purpose.

7-69 SECTION 15. The change in law made by this Act to Section

8-1 132.056, Education Code, applies only to a certificate of approval
8-2 issued on or after the date this Act takes effect. A certificate of
8-3 approval issued before the date this Act takes effect is governed by
8-4 the law in effect on the date the certificate of approval was
8-5 issued, and the former law is continued in effect for that purpose.

8-6 SECTION 16. The change in law made by this Act to Section
8-7 132.061, Education Code, applies only to the refund policy of a
8-8 career school or college to which a certificate of approval is
8-9 granted or for which a certificate of approval is renewed by the
8-10 Texas Workforce Commission on or after the date this Act takes
8-11 effect. The refund policy of a career school or college to which a
8-12 certificate of approval is granted or for which a certificate of
8-13 approval is renewed by the Texas Workforce Commission before the
8-14 date this Act takes effect is governed by the law in effect on the
8-15 date the certificate of approval was granted or renewed, and the
8-16 former law is continued in effect for that purpose.

8-17 SECTION 17. The change in law made by this Act to Section
8-18 132.242, Education Code, applies only to a refund that becomes due
8-19 on or after the date this Act takes effect. A refund that becomes
8-20 due before the date this Act takes effect is governed by the law in
8-21 effect on the date the refund becomes due, and the former law is
8-22 continued in effect for that purpose.

8-23 SECTION 18. This Act takes effect September 1, 2005.

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