

**SENATE BILL NO. 2120  
with House Amendments**

Fifty-ninth  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2120**

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; and to provide a continuing appropriation.

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 to operate fee fund - Continuing appropriation.** There  
11 is created an authorization to operate fee fund into which fees provided to the board under  
12 section 15-20.4-03 must be deposited. The fund and interest earned on the fund are  
13 appropriated to the board on a continuing basis to be used exclusively to carry out the intent  
14 and purpose of this chapter. This fund is not subject to section 54-44.1-11.

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

17 **15-20.4-04. Minimum standards - Exceptions.**

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

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

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

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

13 **15-20.4-06. Refund of tuition fees.** Postsecondary educational institutions shall  
14 refund tuition and other charges, other than a reasonable application fee, when written notice of  
15 cancellation is given by the student in accordance with the following schedule:

16 1. When notice is received prior to, or within seven days after completion of the first  
17 day of instruction, or after receipt of the first correspondence lesson by the  
18 institution, all tuition and other charges ~~except twenty five dollars thereof~~ must be  
19 refunded to the student.

20 2. When notice is received prior to, or within thirty days after completion of the first  
21 day of instruction, or prior to the completion of one-fourth of the educational  
22 services, all tuition and other charges except twenty-five percent thereof must be  
23 refunded to the student.

24 3. When notice is received upon or after completion of one-fourth of the educational  
25 services, but prior to the completion of one-half of the educational services, all  
26 tuition and other charges except fifty percent thereof must be refunded to the  
27 student.

28 4. When notice is received upon or after the completion of fifty percent of the  
29 educational services, no tuition or other charges may be refunded to the student.

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

- 1           **SECTION 4. AMENDMENT.** Subsection 2 of section 15-20.4-15 of the North Dakota  
2 Century Code is amended and reenacted as follows:
- 3           2.   a.   It is unlawful for an individual to knowingly use or claim to have a false  
4                    academic degree:
- 5                    (1)   To obtain employment;
- 6                    (2)   To obtain a promotion ~~of~~ or higher compensation in employment;
- 7                    (3)   To obtain admission to an institution of higher learning; or
- 8                    (4)   In connection with any business, trade, profession, or occupation.
- 9           b.   An individual who violates this subsection is guilty of a class A misdemeanor.