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| LOCAL COMMISSIONERS MEMORANDUM |  
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Transmittal No: 91 LCM-29

Date: February 27, 1991

Division: Income Maintenance

TO: Local District Commissioners

SUBJECT: Proprietary School Reform

ATTACHMENTS: Attachment I - "Proprietary School Reform Legislation" -  
not available on-line.  
Attachment II - Enrollment Follow-up Report - not  
available on-line.

Attached is a summary of legislation which reforms the operation of non-degree granting proprietary schools. This law, which went into effect on September 1, 1990, established new criteria for the refund of tuition and the enrollment of students without high school or equivalency diplomas. Stricter reporting requirements, including information on student drop out rates and percentages of students placed in occupations relating to their course of instruction, are also part of this legislation. Each proprietary school will be required to produce an annual report by course of study and such reports are available upon request from the school. See Attachment II for a facsimile of such a report.

This information is being provided to assist employment unit staff involved in the approval of client self-initiated training or districts interested in developing financial or non-financial agreements with proprietary schools. In order to fully implement this legislation, the State Education Department has amended existing regulations.

In addition to this State legislation, Congress has enacted legislation which will require an "independent assessment" of individuals seeking federal financial assistance (Pell Grants and Guaranteed Student Loans) for attendance at proprietary schools. Specific details regarding such an independent assessment and its possible effect on the Job Opportunities and Basic Skills Training (JOBS) Program assessment procedures are not available at this time.

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As additional information regarding State or federal legislation is available, it will be forward to local districts. Any questions or comments concerning this memorandum should be directed to Joseph Capobianco, Bureau of Employment Programs, at 1-800-342-4100, extension 4-9287.

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Deputy Commissioner  
Division of Income Maintenance