# 05-071 DEPARTMENT OF EDUCATION

Chapter 150 RULES FOR LICENSING PRIVATELY OWNED CORRESPONDENCE SCHOOLS

SUMMARY: Rule #05-071, CMR 150 identifies rules to be utilized in licensing privately owned correspondence schools.

I. Definitions

For purposes of this Chapter the following definitions are utilized:

A. “School or private correspondence school" means (1) any privately owned postsecondary school in this State conducted for the purpose of providing systematic instruction in any field of study by correspondence except those that are exempt under section 2, and (2) any postsecondary school as described in paragraph (1) located out of State which hires or authorizes solicitors or agents to recruit students, sell courses or promote the school or its program within this State.

B. “Commissioner” means the Commissioner of the Department of Education.

C. “Systematic Instruction by Correspondence” means instruction provided by written materials sent to the student via direct mail or delivery service; by video or audio tape or disc sent to the student via direct mail or delivery service; or by other types of telecommunication or distance learning through which instructional material may be transmitted directly to the student. All such instruction requires either written or verbal responses for the purpose of evaluating student learning.

2. Exemptions

A.. Educational programs offered by any non-profit corporation.

B. Schools as defined in 1. A whose offerings result in the awarding of academic credits toward a degree from the school. Schools whose course or program offerings do result in degree credit from the school are subject to the provisions of 20-A MRSA § 10701-10710.

C. Courses or programs of instruction conducted under contract with an employer for employees exclusively.

D. A private correspondence school offering programs or courses with a residential component is not subject to licensure under this chapter but is subject to licensure under Chapter 147, entitled “Rules for the Licensing of Privately Owned Business, Trade and Technical Schools - Proprietary Schools.”

3. Certification Process

A. Application

A school shall make a written application to the Commissioner for approval at least sixty (60) days prior to intent to operate. Schools desiring renewal of approval shall make application at least thirty (30) days prior to the expiration date of the approval.

B. Initial Approval

1. Schools making application for approval shall complete an application form provided by the Commissioner of Education and accompanied by a fee of $100 and a continuous surety bond in the sum of $10,000. In addition to the information required on the application form, the following supporting documents shall accompany the application:

a. Statements relative to the financial stability of the school;

b. A statement concerning any accreditation or approval granted the school by any recognized agency or association;

c. A copy of the curriculum for each course, showing the content of the subjects taught and the type of work or skills to be learned;

d. A copy of each form used for record maintenance purposes;

e. A copy of all catalogs, circulars, enrollment or application blanks and contract forms;

f. A list of all solicitors authorized by the school to solicit in Maine.

g. A copy of the school's refund policy.

2. The administrator, upon review and consideration of an application for approval, and based upon the meeting of the standards as set forth in section 4 shall determine the applicant to be acceptable or unacceptable. The review and consideration shall include an on-site evaluation when deemed necessary.

C. Renewal

1. Schools desiring renewal of a Certificate of Approval shall make application on or before December 1 on forms provided by the Commissioner of Education and accompanied by a fee of $50.

2. Information pertaining to changes in courses, publications, financial stability, accreditation, refund policies and solicitors since the date of last approval shall be submitted with the renewal application.

D. Suspension or Revocation

The Commissioner may deny an initial or renewal application for approval if the standards set forth in section 4 are not met. The applicant shall also comply with these standards on a continuing basis during the term of the annual approval. The school's failure to at all times comply with these standards shall constitute grounds for suspension or revocation of the license. In addition, an application may be denied and an existing approval may be revoked or suspended if for financial or other reasons it appears unlikely that the school will be able to deliver instruction as described in its catalogs, promotional materials, circulars, enrollment or application blanks and contract forms.

(Note: The issuance, renewal, nonrenewal, suspension and revocation of licenses are addressed in 4 M.R.S.A. § 1151 et seq, and 5 M.R.S.A. §8001 et seq.)

E. Expiration

All school approvals shall be on an annual basis and shall expire on December 31.

4. Standards for Approval

A. School Name and Location

1. The name of the correspondence school shall not suggest an official relation with a municipality or with the State of Maine.

2. Any change in the name or location of an approved correspondence school shall be subject to the prior approval of the Commissioner.

B. Administration

1. Each correspondence school shall have an executive head. The executive head shall present evidence that he/she has the qualifications and the experience essential for competent and ethical administration of a correspondence school and that he/she will be able to devote the necessary time to the school for its efficient administration. If the school is a branch of a school that has its principal location outside of Maine, there shall be an agent or solicitor whose responsibilities shall be clearly stated in the approval application.

2. The executive head shall have the administrative assistance necessary to operate the school and effectively coordinate the work of the teachers.

3. Each correspondence school shall furnish information and report as deemed necessary by the Commissioner and on forms provided.

C. Qualifications of Instructional Staff

Each advisor shall have at least a high school diploma and a combination of at least six years of advanced study, teaching, and experience closely related to the subjects being taught. This standard shall not operate to prevent the employment of competent assistants without these qualifications as long as the individual is adequately supervised.

D. Course(s) of Instruction

1. The course content shall be of such nature and quality as to adequately cover the subject as thoroughly as stated in the school's catalog or publicity brochure.

2. An individualized correctional service shall be provided to indicate the errors, direct the student to sources of correct information, and to supply additional explanations and supplementary instructional material when requested.

E. Brochure

The school brochure or catalog shall include, but not be limited to, the following information:

1. The name and location of the school;

2. The name of the executive head of the school;

3. A description of the courses offered; (This standard may be met by publishing a description of the courses offered as a bulletin separate from the catalog).

4. Books, supplies and equipment the student may be required to purchase in addition to those provided by the school;

5. Requirements for graduation (if applicable);

6. The maximum time allowed for completing each course;

7. Refund policy.

F. Enrollment Agreement

The school shall use an enrollment agreement with the student which shall include the following information:

1. The total cost to the student;

2. The initial payment due at the time of registration;

3. The amounts of subsequent payments and a statement specifying when the payments are due;

4. The fees and tuition charged;

5. The terms of settlement refund policy for the student who discontinues his/her enrollment and withdraws from the school.

G. Advertising

1. All advertising originating in a Maine publication shall be based upon fact. Any statement, illustration, representation or omission which misleads or tends to mislead the public shall be deemed objectionable.

2. All advertising and promotional literature used by a school must clearly indicate that training or education, and not employment, is being offered.

3. Schools using classified columns of newspapers or other publications to procure students must use only such columns as are headed by “Education,” “Schools,” “Instruction,” or a similarly titled classification.

4. Statements, direct or implied, assuring or guaranteeing jobs or memberships in unions or other organizations as a result of completing a course or program of instruction shall not be used.

5. Any advertising of the price of tuition must state the exact name of the course immediately followed by the number of lessons. When the cost of tuition is advertised, the cost of tools, supplies, and all other charges shall be included in the advertising.

H. School Records

The school shall retain permanently the following information: student name, last known address, status (graduate, drop out, etc.). and academic record.

5. Change in Accreditation Status

If accredited, a school shall promptly notify the Commissioner of any change in Its accreditation status.

6. Complaints: Processing Of Complaints

A. Investigations

The Department shall cause to be investigated all complaints of noncompliance with the rules. Complaints shall be addressed to the Department in writing with specific facts and allegations and signed by the complainant. The school shall be notified of any complaints which are to be investigated.

B. Dismissal

If. upon investigation, the Department concludes that there is no reasonable evidence of non-compliance with the requirements of the rule, it shall dismiss that complaint and notify both the school and the complainant of its action.

C. Further Action

if upon preliminary investigations the Department determines that there is reasonable evidence of non-compliance with the rule, the Department shall take further action. This may include but is not limited to:

Further investigation by staff or agents of the Department;

Referral of investigation to other authorities;

Holding a fact-finding hearing-which shall not be an adjudictory hearing;

Holding a meeting with school officials.

7. Change of Ownership.

A. Nontransferability

Certificates of Approval issued to a person pursuant to this Chapter are not transferable. Prior to the effective date of any of the transactions specified in subsections B-D below, the new owner must have applied for and received approval in order for operation of an existing school to continue.

B. Sole Proprietors

Certificates of Approval issued to a sole proprietor shall become void upon the voluntary or involuntary sale or transfer to any other person of the school or any ownership interest in the school other than a bona fide mortgage or security interest.

A sole proprietor shall notify the Commissioner of any impending sale or transfer within the scope of this subsection at least 45 days prior to the effective date of the transaction.

C. Partnerships

1. Certificates of Approval issued to a partnership shall become void upon:

a. the voluntary of involuntary sale or transfer to any other person of the school or any ownership interest in the school other than a bona fide mortgage or security interest; or

b. any change in the composition of the partnership other than the reallocation of the ownership interests of the existing partners or the withdrawal of a partner.

2. A partnership shall notify the Commissioner of any impending sale, transfer or change in composition within the scope of this subsection at least 45 days prior to the effective date of the transaction.

D. Corporations

1. An initial or renewal certificate of approval issued to a corporation shall become void upon:

a. the voluntary or involuntary sale or transfer to any other person of the school or any ownership interest in the school other than a bona fide mortgage or security interest;

b. any change in ownership of the corporations stock other than (a) the sale or transfer of stock among existing shareholders or (b) the sale or transfer of stock in publicly traded companies; or

c. the issuance of additional stock in a company that is not publicly traded to a person who is not a current shareholder.

2. A Corporation shall notify the Commissioner of any sale, transfer, change in stock ownership or new issue within the scope of this subsection at least 45 days prior to the effective date of the transaction.

8. School Closing

If the school cancels the program or courses which it is approved to offer in Maine and ceases operation for whatever reason, officials shall notify the Commissioner and all enrolled students at least 30 days prior to the date of the scheduled cessation of the school's activities. All refunds which are due students under the school's published refund policy shall be made during this 30 day period.

9. Violations

Any violation of this chapter shall be handled under the provisions set forth in 20A MRSA § 9203.

STATUTORY AUTHORITY: 20-A MRSA, Chapter 321

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