01-30 12:14 H.B. 97

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Private Postsecondary Education Modifications

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen L. Whyte

Senate Sponsor: Michael K. McKell

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LONG TITLE

- **4 General Description:**
- 5 This bill amends provisions related to a postsecondary school's required disclosures.
- **6 Highlighted Provisions:**
- 7 This bill:
- 8 defines terms;
- 9 exempts a reasonable deposit from the amount a postsecondary school must refund a
- 10 student under certain circumstances; and
- 11 makes technical and conforming changes.
- 12 Money Appropriated in this Bill:
- None
- 14 Other Special Clauses:
- None None
- 16 Utah Code Sections Affected:
- 17 AMENDS:
- 18 **13-34-109**, as repealed and reenacted by Laws of Utah 2023, Chapter 458

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- 20 *Be it enacted by the Legislature of the state of Utah:*
- 21 Section 1. Section 13-34-109 is amended to read:
- 22 13-34-109 . Required disclosures.
- 23 (1) As used in this section, "cooling off period" means a three-business day period during
- 24 which a student may rescind an enrollment agreement and receive a refund of all money
- 25 paid, except:
- 26 (a) a reasonable application fee; and
- 27 (b) a deposit that does not exceed 10% of the total cost of tuition for the first term.
- 28 [(1)] (2) Before a postsecondary school may enroll or accept payment from a student, the
- postsecondary school shall clearly and conspicuously disclose in writing to the student:
- 30 (a) the postsecondary school's name, address, and location;

H.B. 97 01-30 12:14

31	(b) the requirements or qualifications a student is required to satisfy to enroll in the
32	postsecondary school;
33	(c) a complete description of the services for which the student will pay, including:
34	(i) facilities, faculty, resources, or equipment that the student may use in connection
35	with the services, or to access the services;
36	(ii) the duration of services provided; and
37	(iii) completion or graduation requirements;
38	(d) information regarding how the postsecondary school's services relate to state
39	licensing requirements if the services are intended to prepare a student for licensure;
40	(e) tuition, fees, and any other charge or expense to be paid by the student;
41	(f) a financial assistance policy, if any;
42	(g) the complete terms of any financing agreement, including an income sharing or other
43	agreement, offered to the student;
44	(h) the postsecondary school's cancellation and tuition refund policy [that] which shall
45	include, at a minimum:
46	(i) a [three-business-day-]cooling off period[-during which a person may rescind the
47	enrollment agreement and receive a refund of all money paid, less a reasonable
48	application fee,] that may not end before midnight on the third business day after
49	the latest of:
50	(A) the day on which the [person] student signs the enrollment agreement;
51	(B) the day on which the [person] student pays the postsecondary school for
52	services, other than an application fee;
53	(C) the day on which the [person] student first attends the postsecondary school; or
54	(D) the day on which the [person] student first gains access to the postsecondary
55	school's services; and
56	(ii) a written description of the postsecondary school's refund policy following the
57	cooling off period described in Subsection [(8)(a);] (2)(h)(i);
58	(i)(i) whether the postsecondary school is accredited by an accrediting agency; and
59	(ii) whether the program in which a student intends to enroll is accredited by an
60	accrediting agency, if applicable;
61	(j) the existence and amount of the postsecondary school's surety bond, certificate of
62	deposit, or irrevocable letter of credit;
63	(k) information regarding how to file a complaint against the postsecondary school with
64	the division, the postsecondary school's accrediting agency, and the postsecondary

01-30 12:14 H.B. 97

65	school's approval or licensing entity; and
66	(l) student outcomes specified in rules made by the division under Section 13-34-103.
67	[(2)] (3) A postsecondary school may comply with Subsection $[(1)(k)]$ (2)(k) by placing a
68	conspicuous link on the postsecondary school's website that connects to:
69	(a) the contact information for each entity described in Subsection $[(1)(k)]$ (2)(k) with
70	which a person may file a complaint; or
71	(b) a third party's website that states the contact information for each entity described in
72	Subsection $[(1)(k)]$ (2)(k) with which a person may file a complaint.
73	Section 2. Effective Date.
74	This bill takes effect on May 7, 2025.