

136A.829 REVOCATION OF LICENSE OR PERMIT.

Subdivision 1. **Grounds.** The office may, after notice and upon providing an opportunity for a hearing, under chapter 14 if requested by the parties adversely affected, refuse to issue, refuse to renew, revoke, or suspend a license or solicitor's permit for any of the following grounds:

- (1) violation of any provisions of sections 136A.821 to 136A.833 or any rule adopted by the office;
- (2) furnishing to the office false, misleading, or incomplete information;
- (3) presenting to prospective students information relating to the private career school that is false, fraudulent, deceptive, substantially inaccurate, or misleading;
- (4) refusal to allow reasonable inspection or supply reasonable information after written request by the office;
- (5) having been administratively determined by the commissioner or judicially determined to have committed fraud or any other material violation of law involving federal, state, or local government funds;
- (6) the existence of any circumstance that would be grounds for the refusal of an initial or renewal license under section 136A.822; or
- (7) using fraudulent or coercive practices, whether in the course of business in this state or elsewhere.

Subd. 2. **Appeal.** Any order refusing, revoking, or suspending a private career school's license or a solicitor's permit is appealable in accordance with chapter 14. Where a private career school has been operating and its license has been revoked, suspended, or refused by the office, the order is not effective until the final determination of the appeal unless immediate effect is ordered by the court.

Subd. 3. **Powers and duties.** The office shall have (in addition to the powers and duties now vested therein by law) the following powers and duties:

- (a) To negotiate and enter into interstate reciprocity agreements with similar agencies in other states, if in the judgment of the office such agreements are or will be helpful in effectuating the purposes of Laws 1973, chapter 714;
- (b) To grant conditional private career school license for periods of less than one year if in the judgment of the office correctable deficiencies exist at the time of application and when refusal to issue private career school license would adversely affect currently enrolled students;
- (c) The office may upon its own motion, and shall upon the verified complaint in writing of any person setting forth fact which, if proved, would constitute grounds for refusal or revocation under Laws 1973, chapter 714, investigate the actions of any applicant or any person or persons holding or claiming to hold a license or permit. However, before proceeding to a hearing on the question of whether a license or permit shall be refused, revoked or suspended for any cause enumerated in subdivision 1, the office shall grant a reasonable time to the holder of or applicant for a license or permit to correct the situation. If within such time the situation is corrected and the private career school is in compliance with the provisions of sections 136A.82 to 136A.834, no further action leading to refusal, revocation, or suspension shall be taken.
- (d) To grant a private career school a probationary license for periods of less than three years if, in the judgment of the office, correctable deficiencies exist at the time of application that need more than one year to correct and when the risk of harm to students can be minimized through the use of restrictions and

requirements as conditions of the license. Probationary licenses may include requirements and restrictions for:

- (1) periodic monitoring and submission of reports on the school's deficiencies to ascertain whether compliance improves;
- (2) periodic collaborative consultations with the school on noncompliance with sections 136A.82 to 136A.834 or how the institution is managing compliance;
- (3) the submission of contingency plans such as teach-out plans or transfer pathways for students;
- (4) a prohibition from accepting tuition and fee payments prior to the add/drop period of the current period of instruction or before the funds have been earned by the school according to the refund requirements of section 136A.827;
- (5) a prohibition from enrolling new students;
- (6) enrollment caps;
- (7) the initiation of alternative processes and communications with students enrolled at the school to notify students of deficiencies or probation status;
- (8) the submission of a surety under section 136A.822, subdivision 6, paragraph (b), clause (1), that exceeds ten percent of the preceding year's net revenue from student tuition, fees, and other required institutional charges collected; or
- (9) submission of closure information under section 136A.8225.

Subd. 4. **Effect.** A private career school or its owners, officers, or sponsoring organization is prohibited from applying for licensure under section 136A.822 within two years of the effective date of a revocation or within two years from the last date of instruction if the school closed prior to all students completing their courses and programs. A school applying for licensure must:

- (1) meet the requirements for licensure under section 136A.822;
- (2) pay the licensure fees as a new school under section 136A.824, subdivision 1;
- (3) correct any deficiencies that were identified in the revocation order or closed school requests under section 136A.8225;
- (4) pay any outstanding fines or penalties under section 136A.832; and
- (5) pay any outstanding student refunds under section 136A.827.

History: 1969 c 866 s 9; 1973 c 714 s 16,17; 1982 c 424 s 130; 1983 c 247 s 61; 1985 c 248 s 70; 1986 c 444; 1992 c 513 art 1 s 27; 1995 c 212 art 3 s 59; 1996 c 366 s 5; 1999 c 214 art 3 s 31; 2005 c 107 art 3 s 17; 2015 c 69 art 2 s 40,46; 2020 c 109 art 1 s 19; art 3 s 13; 2024 c 124 art 2 s 43,44; 2024 c 127 art 35 s 43,44