Legislative Analysis

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PROPRIETARY SCHOOL DEFINITION: EXCLUDE YOGA INSTRUCTION & YOGA TEACHER TRAINING

Senate Bill 818 as passed by the Senate
Sponsor: Sen. Tonya Schuitmaker
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform
Complete to 4-19-16

SUMMARY:

Senate Bill 818 would amend Section 1a of the Proprietary Schools Act to add language stating that a school or program that exclusively provides yoga instruction, yoga teacher training, or both, is not a proprietary school for the purposes of the act.

The Proprietary Schools Act requires a proprietary school to obtain a temporary permit or license from the Department of Licensing and Regulatory Affairs (LARA). A proprietary school is presently defined as "a school that uses a certain plan or method to teach a trade, occupation, or vocation for a consideration, reward, or promise of any kind. Proprietary school includes, but is not limited to, a private business, trade, or home study school."

The following are already not considered proprietary schools under the act:

- A school or college possessing authority to grant degrees.
- A school licensed by law through another board or department of this state.
- A school maintained or a program conducted, without profit, by a person for that person's employees.

FISCAL IMPACT:

Senate Bill 818, as passed by the Senate, would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) to the extent that LARA would no longer collect revenue generated by regulatory fees levied on some propriety schools nor would LARA incur expenses to implement, administer, and enforce the licensure of those proprietary schools. LARA licensed 36 yoga schools during FY 14-15, collecting $20,552 generated by regulatory fees. Historically, expenditures disbursed to implement, administer, and enforce the licensure of all proprietary schools have exceeded revenue generated by regulatory fees levied on propriety schools, by an average of approximately $113,000 between FY 12-13 and FY 14-15. Whether the fiscal impact of the bill would result in cost savings or revenue loss is dependent on whether the variable expenses of licensing yoga schools exceeds the marginal revenue collected form yoga schools, which is unknown.

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