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UPDATE: Changes to the Renewal Fee Schedule for Private Occupational Schools Effective November 8, 2013

Effective November 8, 2013, the renewal fee schedule for private occupational schools licensed by the Division of Professional Licensure (DPL) will change. The new renewal fee schedule will place all licensed schools, regardless of their size, on equal footing by establishing a uniform multiplier of **0.49%** that will be applied against the Annual Adjusted Gross Revenue (AAGR) for the last completed fiscal year for each school. To calculate this fee, schools should utilize the "<u>Renewal Fee Calculation Worksheet</u>" available on DPL's website.

This renewal fee change reflects comments received at a public hearing on July 26 and in writing regarding proposed changes to the regulations governing occupational school fees. After due consideration of the comments, it was decided to proceed with implementing the fee regulations, but to decrease the multiplier from 0.69% to 0.49% of the school AAGR. In so doing, the resulting revenues, which by statute are to fund the cost of operations for the oversight of occupational schools, will fall short. Other sources of revenue will be pursued to make up the resulting funding gap.

DPL will implement the change to the renewal fee schedule on a staggered basis to mitigate the financial impact of the change. Please note that the new implementation schedule supersedes the schedule contained in the Notice dated September 10, 2013 (effective September 30, 2013).¹ Specifically, DPL will require the submission of renewal applications and will collect payment according to the following schedule:

(1) Schools Renewing in the 2nd Quarter of FY 2014 (October - December 2013):

- *Due by September 30, 2013:* Submission of financial information required under M.G.L. c. 112 § 263(d) to the Office of the State Auditor (OSA). (Due **ninety (90**) **days** prior to the expiration date of the school's license.)
- *Due by October 31, 2013*: Submission of renewal application required under M.G.L. c. 112 § 263(e) to DPL. (Due sixty (60) days prior to the expiration date of the school's license.)
- Due by November 30, 2013: Payment based on the old renewal schedule. (Due thirty (30) days prior to the expiration date of the school's license.)

¹www.mass.gov/ocabr/government/oca-agencies/dpl-lp/schools/

• *Due by March 31, 2014*: Difference between the old fee schedule and the new fee schedule. (DPL will mail schools an invoice detailing the amount prior to the due date.)

(2) Schools Renewing in the 3rd Quarter of FY 2014 (January - March 2014):

- *Due by December 31, 2013*: Submission of financial information required under M.G.L. c. 112 § 263(d) to the OSA. (Due **ninety (90) days** prior to the expiration date of the school's license.)
- *Due by January 31, 2014*: Submission of renewal application required under M.G.L. c. 112 § 263(e) to DPL. (Due sixty (60) days prior to the expiration date of the school's license.)
- *Due by February 28, 2014*: Payment based on the old renewal schedule.(Due thirty (30) days prior to the expiration date of the school's license.)
- *Due by May 31, 2014:* Difference between the old fee schedule and the new fee schedule. (DPL will mail schools an invoice detailing the amount prior to the due date.)

(3) Schools Renewing in the 4th Quarter of FY2014 (April - June 2014) and in FY 2015:

- Schools must submit to the OSA the financial information it requires under M.G.L. c. 112 § 263(d) at least ninety (90) days prior to the expiration date of the school's license.
- Schools must submit to DPL the renewal applications required under M.G.L. c. 112, § 263(e) at least sixty (60) days prior to the expiration date of the school's license.
- Schools must submit to DPL, with the renewal application, the entire renewal fee as required by M.G.L. c. 112 § 263(e) and 801 CMR 4.02.

Moving forward, the multiplier will be adjusted every two years per the new regulations to reflect the cost of oversight. However, the minimum two-year fee for license renewal will remain \$250. Finally, the new renewal fee schedule sets hard deadlines for renewal applications and establishes a late fee of \$200. All fees are commensurate with the cost of services provided by DPL in accordance with M.G.L. c. 112, § 263.

DPL is a regulatory agency within the Office of Consumer Affairs and Business Regulation responsible for ensuring regulatory compliance and the integrity of the licensing process for more than 370,000 licensees in trades and professions under the jurisdiction of 31 boards of registration.

DPL also licenses private occupational schools operating in Massachusetts. Oversight responsibilities for private occupational schools were transferred to the agency from the Department of Elementary and Secondary Education in 2012. Currently, there are 165 occupational schools licensed to operate at approximately 245 locations in Massachusetts. For more information, visit www.mass.gov/dpl/schools.

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