

4880.2700 SCHEDULE OF FINES.**Subpart 1. Penalties.**

A. The office may assess any entity, which violates any provision of Minnesota Statutes, chapter 141, an administrative penalty in an amount not to exceed \$500 for each day for each violation. For purposes of this part, an "entity" is any natural person, board, partnership, association, corporation, or other entity, however organized.

B. The office must inform the entity of the alleged violation by certified mail, return receipt requested, prior to assessing an administrative penalty. This letter must specify the alleged violation, the steps that must be taken to correct the violation, the penalty that will be assessed if the violation is not corrected, and the time frame in which the corrections must occur.

C. If the entity does not respond to the office and make the required corrections in the specified time frame, the office will send a second certified letter, return receipt requested, and assess the penalty.

Subp. 2. Procedure. The total amount of an administrative penalty that is assessed must be specified in the second letter and calculated according to this subpart.

A. The number of days that an entity is in violation is the difference between the day on which the entity is notified, by receipt of certified letter, of its failure to correct the violation and the day on which the office notifies the entity that the violation has been corrected.

B. The total amount of an administrative penalty is the product of the number of days that an entity is in violation multiplied by the dollar amount per day penalty.

C. The office may assess an administrative penalty for each violation according to these procedures whenever one or more violations exists. Payment of the administrative penalty shall be due no later than seven business days after the receipt of the certified letter containing notice of assessment. The total amount of an administrative penalty shall be calculated on the number of days that the entity is in violation notwithstanding any appeals initiated by the entity. Failure to pay an administrative penalty within 30 days of its due date shall result in revocation of the license of the entity or denial of a license to an applicant.

Subp. 3. Penalty amounts. The office shall, for the purposes of determining and assessing an administrative penalty, use the following classifications:

A. Class 1 violation, \$500 per day:

- (1) entity operating without a license;
- (2) previously licensed school operating after expiration date of license;

(3) previously licensed school operating multiple locations without authorization; or

(4) previously licensed school operating without an adequate surety bond.

B. Class 2 violation by an existing school, \$250 per day:

(1) failure to adhere to the refund policy stated in Minnesota Statutes, section 141.271, as noted in an annual office audit report;

(2) failure to maintain student academic and financial aid record requirements as noted in an annual office audit report;

(3) false statement about a material fact in application for initial or renewal license;

(4) failure to file annual financial report within 120 days of the end of the institution's fiscal year unless such filing is not within the control of the institution; or

(5) failure to file new or renewal solicitor's permit application and to pay applicable fee.

C. The assessment of an administrative penalty does not preclude the office from also revoking a school's license or denying a license to an applicant.

Statutory Authority: *MS s 136A.01*

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