

# Exemption from Career Schools and Colleges Regulation Based on Closed Instruction for Members, Employees and Trade Groups

[Texas Workforce Commission \(TWC\) – Career Schools & Colleges](#)

## Applying for an Exemption

You must apply to TWC for an exemption from regulation of the school or a course. This involves submitting documentation to demonstrate the school or course meets the criteria for one of the regulation exemptions authorized by [Texas Education Code Chapter 132](#). TWC will review your documentation and respond with a letter to let you know whether or not the exemption is granted.

Send your exemption request to:

TWC Career Schools and Colleges  
Attn: Exemptions  
101 E 15th St, Rm 226T  
Austin, Texas 78778-0001

If you have questions concerning the exemption application process, contact TWC Career Schools and Colleges at 512-936-3100 or [career.schools@twc.state.tx.us](mailto:career.schools@twc.state.tx.us).

## Exemption Based on Closed Instruction for Members, Employees and Trade Groups

- Employer-Sponsored Employee Training
- Organization-Sponsored Training for Members Only
- Electrical Trade Association Test Preparation and Continuing Education
- Air Conditioning and Refrigeration Preparation Programs
- Plumbing Trade Association Test Preparation and Continuing Education
- Vendor-Provided Computer Training for Customers
- Contract-Based Training with Closed Enrollment

### A. Employer-Sponsored Employee Training

#### ***Exemption Criteria:***

A course or courses of instruction or study sponsored by an employer for the training and preparation of its own employees, and for which no tuition fee is charged to the student.

A "sponsor" is a person or organization that pays for or plans and carries out a project or activity. (*AG Opinion - JM 529*)

**Required Documentation:**

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Employer-Sponsored Employee Training under **Section 132.002(a)(4)** and submit all of the following:

1. Employer contact information: Name, address and telephone number (plus fax, email address and website address, if applicable).
2. Name, objective, length and cost of course(s) offered.
3. A notarized affidavit from the school stating that no students other than employer-sponsored will be solicited or enrolled. Further, the employer will bear all the tuition costs and the employee will not be required to reimburse the employer by means of cash, production of work without pay, or any other means. The affidavit must include a list of the employers' names and addresses as well as the name and phone number of a contact person with each employer.
4. Copies of advertisements used, including newspaper and yellow page ads, Web pages and marketing flyers or brochures. If you will not advertise, so state.

**B. Organization-Sponsored Training for Members Only**

**Exemption Criteria:**

A course or courses of study or instruction sponsored by a recognized trade, business, or professional organization for the instruction of the members of the organization with a closed membership.

A "sponsor" is a person or organization that pays for or plans and carries out a project or activity. (*AG Opinion - JM 529*)

**Required Documentation:**

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Organization-Sponsored Training for Members Only under **Section 132.002(a)(5)** and submit all of the following:

1. Sponsoring person or organization's name, address, and telephone number (plus fax number, email address and website address, if applicable).
2. Name, objective, length and cost of course(s) offered.
3. Letter from each recognized trade, business or professional organization that will sponsor students. This letter must include an explanation as to how the membership is closed. Membership is not closed if any member of the public can join. Such organization must provide other services and benefits to their members in addition to the educational instruction they offer. In addition, the organization may be asked to furnish the charter and by-laws.

4. A notarized affidavit from the school stating that no students other than members of the organization(s) will be solicited or enrolled.
5. Copies of advertisements used, including newspaper and yellow page ads, Web pages and marketing flyers or brochures. If you will not advertise, so state.

### **C. Electrical Trade Association Test Preparation and Continuing Education**

#### ***Exemption Criteria:***

A course or courses of instruction offered by bona fide electrical trade associations for the purposes of preparing students for electrical tests required for licensing and for the purpose of providing continuing education to students for the renewal of electrical licenses.

#### ***Required Documentation:***

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Electrical Trade Association Test Preparation and Continuing Education under **Section 132.002(a)(11)** and submit all of the following:

1. Name, address and telephone number (fax number, email address and website, if applicable) of the Electrical Trade Association; and also of the school operated by the association, if different.
2. Name, content, length and cost of course(s) offered.
3. A notarized affidavit identifying the name of the Electrical Trade Association and explaining how it owns, controls, operates and conducts the school.
4. Certificate of Incorporation issued by the Secretary of State, Articles of Incorporation and by-laws of the association, requirements for membership, total number of the membership, names of the officers of the association, and services and benefits to the membership.
5. Information explaining how the course(s) will:
  - a. prepare students for electrical tests required for licensing, or
  - b. provide continuing education to students for the renewal of electrical licenses.
6. Copies of advertisements used, including newspaper and yellow page ads, Web pages and marketing flyers or brochures. If you will not advertise, so state.

### **D. Air Conditioning and Refrigeration Preparation Programs**

#### ***Exemption Criterion:***

A course or training program conducted by a nonprofit association of air conditioning and refrigeration contractors approved by the Air Conditioning and Refrigeration Contractors Advisory Board to provide instruction for technical, business, or license examination preparation programs relating to air conditioning and refrigeration contracting, as that term is defined by the Air Conditioning and Refrigeration Contractor License Law.

**Required Documentation:**

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Air Conditioning and Refrigeration Preparation Programs under **Section 132.002(a)(13)** and submit all of the following:

1. Name, objective, length and cost of course(s) offered.
2. Evidence that the school is nonprofit.
  - a. If the school and owner are one and the same, submit the following for the owner: Evidence of owner's nonprofit status with the Internal Revenue Service under Section 501(c)(3). This may be a tax-exempt certificate or letter from the Internal Revenue Service.

A school is considered to be one and the same with the owner if the owner is responsible for all the school's liabilities and assets; the owner's tax return includes the school; all of the school's employees are paid by the owner; and the executive body of the owner run the organization's entire operation, including the school.

- b. If the school is not one and the same with the owner, submit either evidence of non-profit status for the school with the Internal Revenue Service under Section 501(c)(3) in the form of a tax-exempt certificate or letter from the Internal Revenue Service, or the following for the school in the form of a notarized affidavit:
      - Financial statements, preferably audited, for the most recent fiscal year. These financial statements must be in a form consistent with generally accepted accounting principles and include a statement of financial position, statement of results of operation, and statement of changes in financial position. These financial statements must be prepared by a licensed, independent public accountant or certified public accountant registered with the State Board of Accountancy. Also, included with the financial statements must be a salary schedule that includes each employee's or officer's name, annual salary, and position with the organization.
      - Description of any plan for the distribution of earnings or the sharing of income of the school.
      - Description of the plan for distribution of the assets of the school upon dissolution.
      - Information concerning course income and expenses:
        - State the amount of tuition, fees and other charges for each course of instruction.
        - State the estimated cost per student for each course of instruction and provide a breakdown of expenses.

- If the cost per student is less than the amount of tuition, fees, and other charges collected for any course, an explanation must be provided for the excess charges.
3. A notarized affidavit identifying the name of the Air Conditioning and Refrigeration Contractors Association that conducts the course or training program.
  4. Certificate of Incorporation issued by the Secretary of State, Articles of Incorporation, by-laws of the association, total number of the membership, names of the officers of the association, and services and benefits to the membership.
  5. Information explaining how the course(s) will:
    - a. Prepare students for air conditioning and refrigeration tests required for licensing, or
    - b. Provide continuing education to students for the renewal of air conditioning and refrigeration licenses.
  6. Copy of certificate, license, letter or other document showing approval of your course or training program by the Air Conditioning and Refrigeration Contractors Advisory Board.
  7. Copies of advertisements used, including newspaper and yellow page ads, Web pages and marketing flyers or brochures. If you will not advertise, so state.

## **E. Plumbing Trade Association Test Preparation and Continuing Education**

### ***Exemption Criterion:***

A course of instruction by a plumbing trade association to prepare students for a plumbing test or program required for licensing, certification, or endorsement or to provide continuing education.

### ***Required Documentation:***

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Plumbing Trade Association Test Preparation and Continuing Education under **Section 132.002(a)(14)** and submit all of the following:

1. Name, content, length and cost of course(s) offered.
2. A notarized affidavit identifying the name of the Plumbing Trade Association and explaining how it conducts the school/course.
3. Certificate of Incorporation issued by the Secretary of State, Articles of Incorporation, by-laws of the association, total number of the membership, names of the officers of the association, and services and benefits to the membership.
4. Information explaining how the course(s) will:
  - a. prepare students for plumbing tests or a program required for licensing, certification, or endorsement, or
  - b. provide continuing education to students for the renewal of plumbing licenses.

5. Copy of certificate, license, letter or other document showing approval of your school/course by the Texas State Board of Plumbing Examiners.
6. Copies of advertisements used, including newspaper and yellow page ads, Web pages and marketing flyers or brochures. If you will not advertise, so state.

## **F. Vendor-Provided Computer Training for Customers**

### ***Exemption Criteria:***

Courses of instruction in the use of hardware or software if the course is offered to a purchaser of the hardware or software or to the purchaser's employees by a person who manufactures and sells, or develops and sells, the hardware or software, and if the seller is not primarily in the business of providing courses of instruction in the use of the hardware or software, as determined by the Commission.

### ***Required Documentation:***

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Vendor-Provided Computer Training for Customers under **Section 132.002(a)(15)** and submit all of the following:

1. Name(s), objective, length, cost and admissions requirements of course(s) offered.
2. Name, address and telephone number (fax number, e-mail address, and website if applicable) of the company offering hardware or software training.
3. Description of the primary business of the company offering hardware or software training, including copies of company documents detailing the company's primary business.
4. Samples of newspaper and yellow page ads, Web pages, brochures, and any other means of soliciting or advertising the hardware or software training.
5. Name(s) of specific hardware or software manufactured or developed by the company that may be purchased from the company as a prerequisite for providing training.
6. A copy of the sales contract for purchase of course instruction.

## **G. Contract-Based Training with Closed Enrollment**

### ***Exemption Criteria:***

A course or courses of special study or instruction financed or subsidized by local, state, or federal funds or by any person, firm, association, or agency other than the student involved, on a contract basis and having a closed enrollment.

### ***Required Documentation:***

To establish that your school is exempt under this section, send a cover letter requesting exemption based on Contract-Based Training with Closed Enrollment under **Section 132.002(b)** and submit all of the following:

1. Name of course(s).
2. Addresses of sites where the course(s) will be offered.
3. The nature of the group(s) of students to be served by/enrolled in the course(s), including eligibility or enrollment criteria.
4. Explanation of how the course(s) are of special study, developed or offered specifically by contract for this specific group of students to meet their particular training needs, and open only to those students (and not open to the public).
5. Name, address and telephone number of the sponsor providing funds for the course of special study, and the name of a contact person responsible for authorizing use of the funds by contract for the course.
6. A complete enumeration of the source of all funds, with amounts, to be used to finance the education of the students. This must clearly demonstrate that the course is at least 51% funded by public local, state and/or federal funds. It must also clearly demonstrate that there is no cost to the participating students.
7. A copy of the contract signed by responsible parties, stating the names of principals in contract, beginning and ending dates of the contract, and the scope of work or deliverables, which must be consistent with the above listed requirements. A letter of agreement or interest from the sponsor to develop such a contract may also suffice.