

HOUSE BILL REPORT

HB 2027

*As Reported By House Committee on:
Higher Education
Appropriations*

Title: An act relating to higher education.

Brief Description: Providing for refund of or credit toward new enrollment for higher education costs for students deployed because of the Gulf war.

Sponsor(s): Representatives Ballard, Jacobsen, Bowman, Vance, Tate, Brough, Paris, Ferguson, Casada, Chandler, Forner, Moyer, Fuhrman, Holland, Wynne, May, Mitchell, P. Johnson, Retrozoff and Miller.

Brief History:

Reported by House Committee on:
Higher Education, February 28, 1991, DPS;
Appropriations, March 9, 1991, DPS(HE)-A.

**HOUSE COMMITTEE ON
HIGHER EDUCATION**

Majority Report: *That Substitute House Bill No. 2027 be substituted therefor, and the substitute bill do pass.*
Signed by 12 members: Representatives Jacobsen, Chair; Ogden, Vice Chair; Wood, Ranking Minority Member; May, Assistant Ranking Minority Member; Basich; Fraser; Ludwig; Miller; Prince; Sheldon; Spanel; and Van Luven.

Staff: Susan Hosch (786-7120).

Background: By law, under a variety of circumstances, state colleges and universities are permitted to refund or cancel a student's tuition and fees. Students who withdraw before the sixth day of instruction may receive a full refund. Students who withdraw after that day may receive a refund of up to one-half of tuition and fees. Institutions may adopt special policies for students who withdraw for medical reasons and for students who are called into military service.

Once classes begin, students who drop out of private vocational schools are entitled to a partial refund. The percentage of the mandated refund is determined by rules adopted by the State Board for Vocational Education.

Students who drop out of private colleges registered with the Higher Education Coordinating Board are entitled to refunds based on a stratified system established by the board. No refunds are required after the 14th day of instruction.

State law does not address refunds for students attending private four-year colleges and universities that are accredited by an association recognized by the Higher Education Coordinating Board.

Students who have received various forms of state funded financial aid may be required to repay all or a part of that aid if the student withdraws from school. Students who are participating in conditional scholarship programs may have to begin repaying the conditional scholarship, plus interest, when the student withdraws from school. Deferrals are possible, at the option of the Higher Education Coordinating Board. Depending on the program, deferrals must either be consistent with the provisions of the federal guaranteed loan program, or may be granted in the event of special circumstances.

Summary of Substitute Bill: For the purposes of this legislation, the term "eligible student" is defined. An eligible student must meet three conditions. First, the student must have enrolled in a public or private institution of postsecondary education in Washington on or after August 2, 1990. Next, the student must be unable to complete his or her academic term or period of enrollment due to deployment either in the Persian Gulf combat zone or in another location in support of the combat zone. Finally, the student must verify his or her situation through military service records, movement orders, or through a certified letter signed by the student's installation personnel officer.

Eligible students attending state colleges, universities, and vocational-technical institutes have two options. They may request and receive a full refund of tuition and fees, or they may re-enroll when they return. Students choosing to re-enroll will be exempt from the payment of additional tuition and fees for one academic term. They will not be counted in official enrollment statistics, and the institutions will not be reimbursed for their attendance. Institutions may apply for a supplemental appropriation to serve students exercising a re-enrollment option.

Students attending private institutions of higher education also have two options. They may request and receive a full refund of tuition and fees, or re-enroll for one academic term without paying additional tuition and fees. If a

student chooses to receive a refund, the enrolling institution will void the student's enrollment contract.

Students attending a private vocational school have two options. The students may request and receive a pro rata refund of tuition and fees, or they may complete their contracted program without paying additional tuition and fees. If the student chooses a refund, the school will void the student's enrollment contract. Under special circumstances, the State Board for Vocational Education may use the tuition recovery fund to refund all or part of an eligible student's tuition and fees.

Eligible students who have received a grant under the State Need Grant Program will not be required to repay the unused portion of any grant they have received. The repayment requirements of conditional scholarship programs will not apply to eligible students. The Higher Education Coordinating Board will temporarily or permanently defer repayments for eligible students. The deferrals will be in effect for eligible students participating in the following programs: Future Teachers Conditional Scholarship, Nurses Conditional Scholarship, Health Professional Loan Repayment, and Rural Physician, Pharmacist, and Midwife Scholarship Program.

The refund or re-enrollment options offered to eligible students expire on June 30, 1995. An emergency clause is attached.

Substitute Bill Compared to Original Bill: The area of combat is redefined. Students attending a private college or university will be able to re-enroll without paying additional fees over the amount originally agreed to for the term that the student was unable to complete.

Fiscal Note: Requested February 20, 1991.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: Some military personnel enrolled in Washington colleges did not have the choice to complete their classes. They should have a chance to have their tuition refunded; or, they should be able to re-enroll at no additional cost when they return. Under existing law, these students may have to repay financial aid they received. This bill will ensure that students will have those repayments either temporarily, or in special circumstances, permanently deferred.

Testimony Against: None.

Witnesses: Representative Ballard; Gena Wikstrom, Washington Federation of Private Vocational Schools; and Charles Johnson, State Board for Vocational Education.

**HOUSE COMMITTEE ON
APPROPRIATIONS**

Majority Report: *The substitute bill by Committee on Higher Education be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass.* Signed by 27 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Appelwick; Belcher; Bowman; Braddock; Brekke; Dorn; Ebersole; Fuhrman; Hine; Holland; Lisk; May; McLean; Mielke; Nealey; Peery; Pruitt; Rust; H. Sommers; Valle; Vance; and Wang.

Staff: Sherie Story (786-7142).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Higher Education: Washington's private schools are encouraged rather than required to provide students who were deployed to the Persian Gulf combat zone the choice of a tuition refund or one free term of enrollment.

Fiscal Note: Available.

Effective Date of Substitute Bill as Amended: The bill contains an emergency clause and takes effect immediately.

Testimony For: Students who left college to serve in the Persian Gulf should have their tuition refunded and they should have the chance to re-enroll at no additional cost when they return.

Testimony Against: None.

Witnesses: Maureen Flak, National Guard Association of Washington (pro).