

SENATE BILL REPORT

SB 6371

AS REPORTED BY COMMITTEE ON HIGHER EDUCATION, FEBRUARY 2, 1994

Brief Description: Changing provisions relating to higher education degree-granting authority.

SPONSORS: Senators Bauer, Prince, Sheldon, Winsley and Drew

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 6371 be substituted therefor, and the substitute bill do pass.

Signed by Senators Bauer, Chairman; Drew, Vice Chairman; Prince, Sheldon and West.

Staff: Jean Six (786-7423)

Hearing Dates: January 31, 1994; February 2, 1994

BACKGROUND:

The Workforce Training and Education Coordinating Board (WTECB) adopts and monitors the rules that enforce the Private Vocational School Act, including the administration of the tuition recovery fund established in 1987. The cost of administering the fund is paid from special fees collected and deposited in the tuition recovery fund.

Money in the tuition recovery fund can be used to refund money if a private vocational school closes. The fund may also be used to pay restitution to a student if a school is found by the board to have engaged in an unfair business practice.

The 1993 Legislature established that by June 30, 1998, a minimum operating balance of \$1 million will be achieved in the tuition recovery trust fund and maintained thereafter. Each licensed school will make up to 20 incremental payments.

Currently the tuition recovery trust fund benefits only the non-degree seeking students enrolled in the private vocational schools.

SUMMARY:

A new account in the tuition recovery trust fund is created to ensure consistent financial protection for both degree and non-degree seeking students attending private vocational schools. Currently the fund covers only students in non-degree programs. The requirement for degree-granting private vocational schools to participate in two distinctly different protection programs is eliminated.

The interagency agreement between the Workforce Training and Education Coordinating Board (WTECB) and the Higher Education Coordinating Board (HECB) is clarified. The HECB will adopt rules to maintain and administer the new account in the tuition recovery trust fund.

EFFECT OF PROPOSED SUBSTITUTE:

Language is clarified to ensure that there is consistent financial protection for both degree and non-degree seeking students attending private vocational schools.

Appropriation: none

Revenue: none

Fiscal Note: requested January 21, 1994

TESTIMONY FOR:

There is a need to protect students in the degree-granting programs at the proprietary vocational schools. If a school should close, this bill will allow the degree-seeking student access to an account within the tuition recovery fund.

TESTIMONY AGAINST: None

TESTIFIED: Jane Sherman, HECB; Linda Broderick, Federation of Private Vocational Schools