

# HOUSE BILL REPORT

## HB 2034

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### As Reported By House Committee On:

Higher Education

**Title:** An act relating to community and technical college tuition refunds or fee cancellations.

**Brief Description:** Changing community and technical college tuition refund and fee cancellation provisions.

**Sponsors:** Representatives Silver, Quall, Sommers and Basich; by request of State Board for Community and Technical Colleges.

### **Brief History:**

#### **Committee Activity:**

Higher Education: 2/28/95 [DPS].

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Carlson, Chairman; Mulliken, Vice Chairman; Jacobsen, Ranking Minority Member; Mason, Assistant Ranking Minority Member; Basich; Benton; Blanton; Delvin; Goldsmith; Mastin and Sheahan.

**Staff:** Susan Hosch (786-7120).

**Background:** Tuition refund policies for public baccalaureate institutions and community colleges are governed by law. Institutions are permitted, but not required, to refund tuition and fees to students who withdraw after the beginning of an academic term. They may refund all tuition and services and activities fees if a student withdraws from a course or program before the sixth day of instruction in any quarter or semester. If a student withdraws after the fifth day of instruction but before 30 calendar days have passed, the institutions may refund up to one half of tuition and fees.

Institutions may adopt refund policies for courses or programs that begin after the start of the academic term. The institutions may extend the refund period for students who withdraw for medical reasons or for those who are called into the military. And, institutions were required to refund tuition or provide an additional free academic

term to students who withdrew to serve in, or in support of the Persian Gulf combat zone.

Institutions may adopt a different policy if one is required by federal law in order to maintain eligibility to participate in federally funded programs. There is no statutory tuition refund policy for technical colleges.

The federal government is requiring institutions that participate in the Federal Student Loan Program to adopt fair and equitable refund policies. The federal government has adopted one such policy for first-time students. Through rule, the U.S. Department of Education is requiring that the policy be extended to all students unless the state where the institution is located has refund standards. An assistant attorney general has advised the community and technical colleges that Washington's permissive refund law does not constitute a standard.

**Summary of Substitute Bill:** Statutory tuition and fee refund policies are adopted for technical colleges and revised for community colleges. The governing board of each college is required to refund at least 80 percent of tuition and fees for students who withdraw before the sixth day of the academic quarter. If a student withdraws on or after the sixth day, but before 21 calendar days have passed, the boards must refund at least 40 percent, and may refund up to 50 percent of the fees. The boards are required to adopt similar policies for courses that begin after the start of the academic term.

The governing boards may adopt a different policy if one is required by federal law in order to maintain eligibility to participate in federally funded programs. The boards may extend the refund period for students who withdraw for medical reasons or for those who are called into the military. The boards may also adopt a different policy if necessary to comply with the refunds required for participants in, or in support of, the Persian Gulf combat zone.

The bill declares an emergency and takes effect immediately.

**Substitute Bill Compared to Original Bill:** Technical corrections are made and an emergency clause is attached.

**Appropriation:** None.

**Fiscal Note:** Requested on February 22, 1995.

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

**Testimony For:** Passage of this legislation will permit the community and technical colleges to comply with rules adopted by the U.S. Department of Education. It will provide consistent, fair, and equitable treatment of students within the system. It will also simplify the workloads of financial aid administrators who must now comply with two different refund policies: one policy for first time students and a separate policy for all other students.

**Testimony Against:** None.

**Testified:** Rhonda Clark, SBCTC; and Karen Specht, Clover Park Technical College (both in favor).