

FINAL BILL REPORT

HB 2228

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Synopsis as Enacted

Brief Description: Providing parity of consumer protection procedures for all students attending licensed private vocational schools.

Sponsors: Representatives Smith, Wylie, Seaquist, Ormsby, Haler, Moscoso, Johnson, Ryu and Pollet; by request of Workforce Training and Education Coordinating Board.

House Committee on Higher Education
Senate Committee on Higher Education

Background:

The Workforce Training & Education Coordinating Board (Workforce Board) is responsible for licensing and regulating private vocational schools. The Workforce Board protects consumers against the unfair business practices of private vocational schools by:

- issuing licenses to schools meeting minimum standards;
- investigating schools involved in student complaints; and
- providing tuition reimbursement to students when schools close unexpectedly.

If a licensed private vocational school engages in a substantial number of unfair business practices or a significant unfair business practice, the Workforce Board may deny, revoke, or suspend the school's license. The Workforce Board will hear and investigate complaints by persons claiming loss of tuition or fees as a result of unfair business practices.

The Tuition Recovery Trust Fund (Trust Fund) was created for the benefit and protection of students of licensed private vocational schools for the purpose of settling claims related to school closures or unfair business practices. Claims of agencies or businesses that pay tuition and fees on behalf of Washington students may not be settled using the Trust Fund. The Trust Fund may be used to pay unearned prepaid tuition only. Students enrolled under a training contract are not eligible to make a claim against the Trust Fund.

When a school is closed, the Workforce Board must notify potential claimants. The agency is relieved of further duty or action on behalf of a claimant if the claimant does not file a claim within 30 days.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Current or former students of licensed private vocational schools affected by an unfair business practice are permitted to file complaints with the Workforce Board.

Agencies or businesses that pay tuition and fees on behalf of private vocational school students may be reimbursed from the Trust Fund beginning January 1, 2016. Only students who are Washington residents are eligible for reimbursements from the Trust Fund. The Workforce Board may allow students with unusual circumstances to make a claim against the Trust Fund after the 30-day requirement.

Students, or agencies or businesses that provided tuition on behalf of students, may be reimbursed the full value of tuition and fees paid to date from the Trust Fund when a school closes and the students provide evidence that they cannot continue their program of study at another institution. The Workforce Board may use the Trust Fund to pay for prior learning assessments for students who choose to attend another institution.

Enrollment contracts between students and licensed private vocational schools providing must include a brief statement that students may bring concerns or complaints to the Workforce Board.

Falsely representing the number of faculty is added to the list of unfair business practices that are not permitted.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014