

SENATE BILL REPORT

SB 6002

As Reported By Senate Committee On:
Higher Education, February 28, 1995

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: Senators Bauer, Wood, Rinehart and Kohl; by request of State Board for Community and Technical Colleges.

Brief History:

Committee Activity: Higher Education: 2/27/95, 2/28/95 [DPS].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 6002 be substituted therefor, and the substitute bill do pass.

Signed by Senators Bauer, Chair; Kohl, Vice Chair; Drew, McAuliffe, Prince, Sheldon and Wood.

Staff: Jean Six (786-7423)

Background: Most financial aid students, like other students, complete their quarterly classes. However, there are times when students are unable to complete classes for a variety of reasons, and are forced to withdraw before the end of the quarter. The college then determines if a tuition refund is due back to the student or to the financial aid program if the student is receiving assistance.

In November 1994, the federal government imposed new regulations governing refunds to financial aid students who withdraw before the completion of the quarter. The new regulations require colleges to refund according to the standards in state law or the college's accrediting agency. The Northwest Association of Schools and Colleges, the accrediting agency for the community and technical colleges, does not have a refund policy.

In Washington, each college has policies governing refunds. However, the state Attorney General's office has determined that the current state law does not have a standard for the community and technical colleges, and thus does not meet the refund requirement under federal regulations.

Without legislative action, the colleges would have to provide refunds following the federal "fair and equitable refund policy."

Summary of Substitute Bill: The governing boards of the community and technical colleges must refund or cancel up to 100 percent, but not less than 80 percent, of the tuition and fees

if withdrawal is before the sixth day of instruction for which the tuition and fees are paid. For withdrawal after the sixth day, providing the withdrawal occurs within 20 calendar days of the start of instruction, the refund must be up to 50 percent, but no less than 40 percent. The governing board may adopt a refund policy that meets the minimum requirements of the federal law to maintain eligibility for federal funding of programs.

The governing boards are required to adopt rules for the refund of tuition and fees, and may extend the refund period for students who withdraw for medical reasons or who are called into the military.

Substitute Bill Compared to Original Bill: It is clarified that the policy applies to regular quarters and to self-support summer quarters.

Appropriation: None.

Fiscal Note: Requested on February 23, 1995.

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

Testimony For: We need to simplify the refund process whenever possible to make it more easily understood by students and administrators. We need to have one consistent policy that applies to all students. We would be in compliance with federal regulations and still have established our own statewide standards.

Testimony Against: None.

Testified: Rhonda Coats, SBCTC; Karen Specht, Financial Aid Director, CPTC.