

## Department of Planning and Budget 2020 Fiscal Impact Statement

**1. Bill Number:** HB375

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

**2. Patron:** Willett

**3. Committee:** Education

**4. Title:** Postsecondary schools; enrollment agreements, disputes, arbitration.

**5. Summary:** Requires each postsecondary school that requires any student to submit to arbitration to resolve disputes with the school pursuant to an enrollment agreement to (i) permit the student to report the dispute to any other individual or entity before the arbitration proceeding is initiated or completed; (ii) report each student dispute to the State Council for Higher Education in Virginia (the Council) before the arbitration proceeding is initiated; (iii) report to the Council certain information about each arbitration proceeding that results from a student dispute, including the nature of the dispute, any defense or counterclaim by the school, and the disposition of the dispute; and (iv) report to the Council annual aggregated data on arbitration proceedings that result from student disputes, including the number, nature, and disposition of such proceedings. The bill prohibits any postsecondary school that is required to be certified by the Council from (a) conditioning the enrollment of a student receiving state funds pursuant to Title 23.1 of the Code of Virginia on entering into an agreement that requires the student to arbitrate any dispute between the student and the school or to resolve a dispute on an individual basis and waive the right to class or group actions and (b) requiring any enrolled student to resolve a dispute between the student and the school pursuant to an internal dispute resolution process.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8.

**8. Fiscal Implications:** The requirements of this bill can be absorbed with existed resources. No fiscal impact is expected.

**9. Specific Agency or Political Subdivisions Affected:** Public institutions of higher education, the State Council of Higher Education for Virginia.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.