
ASSEMBLY BILL NO. 169—ASSEMBLYMEN CONSIDINE, WATTS,
ANDERSON; BROWN-MAY AND MARZOLA

FEBRUARY 23, 2021

Referred to Committee on Education

SUMMARY—Revises provisions governing higher education.
(BDR 34-745)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to higher education; requiring certain institutions of higher education to have a policy for refunds that requires the institution to refund a student all the money the student has paid if the institution impairs the ability of the student to complete a training program agreed upon in an enrollment agreement; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law establishes the Commission on Postsecondary Education within
2 the Employment Security Division of the Department of Employment, Training and
3 Rehabilitation to license privately owned institutions of higher education which are
4 located in Nevada and, with certain exceptions, branches of public or private
5 institutions of higher education of another state which are located in Nevada. (NRS
6 394.383, 394.415) Under existing law, institutions licensed by the Commission are
7 required to have a policy for refunds that requires the institution to refund a student
8 all the money that the student has paid if the institution has substantially failed to
9 furnish a training program agreed upon in an enrollment agreement. (NRS 394.449)
10 This bill requires the policy to provide for a refund in circumstances where the
11 institution has impaired the ability of a student to complete the training program
12 within the period of time agreed to in the enrollment agreement by, without
13 limitation, reducing the number of courses offered, reducing the authorized
14 enrollment in courses or increasing the number of required courses.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 394.449 is hereby amended to read as follows:

2 394.449 1. Each postsecondary educational institution shall
3 have a policy for refunds which at least provides:

4 (a) That if the institution has substantially failed to furnish the
5 training program agreed upon in the enrollment agreement ~~and~~ *or*
6 *otherwise impaired the ability of a student to complete the training*
7 *program within the period of time agreed to in the enrollment*
8 *agreement, including, without limitation, by reducing the number*
9 *of courses offered, reducing the authorized enrollment in courses*
10 *or increasing the number of required courses,* the institution shall
11 refund to a student all the money the student has paid.

12 (b) That if a student cancels his or her enrollment before the
13 start of the training program, the institution shall refund to the
14 student all the money the student has paid, minus 10 percent of
15 the tuition agreed upon in the enrollment agreement or \$150,
16 whichever is less, and that if the institution is accredited by a
17 regional accrediting agency recognized by the United States
18 Department of Education, the institution may also retain any amount
19 paid as a nonrefundable deposit to secure a position in the program
20 upon acceptance so long as the institution clearly disclosed to the
21 applicant that the deposit was nonrefundable before the deposit was
22 paid.

23 (c) That if a student withdraws or is expelled by the institution
24 after the start of the training program and before the completion of
25 more than 60 percent of the program, the institution shall refund to
26 the student a pro rata amount of the tuition agreed upon in the
27 enrollment agreement, minus 10 percent of the tuition agreed upon
28 in the enrollment agreement or \$150, whichever is less.

29 (d) That if a student withdraws or is expelled by the institution
30 after completion of more than 60 percent of the training program,
31 the institution is not required to refund the student any money and
32 may charge the student the entire cost of the tuition agreed upon in
33 the enrollment agreement.

34 2. If a refund is owed pursuant to subsection 1, the institution
35 shall pay the refund to the person or entity who paid the tuition
36 within 15 calendar days after the:

37 (a) Date of cancellation by a student of his or her enrollment;

38 (b) Date of termination by the institution of the enrollment of a
39 student;



1 (c) Last day of an authorized leave of absence if a student fails
2 to return after the period of authorized absence; or

3 (d) Last day of attendance of a student,
4 ↪ whichever is applicable.

5 3. Books, educational supplies or equipment for individual use
6 are not included in the policy for refund required by subsection 1,
7 and a separate refund must be paid by the institution to the student if
8 those items were not used by the student. Disputes must be resolved
9 by the Administrator for refunds required by this subsection on a
10 case-by-case basis.

11 4. For the purposes of this section:

12 (a) The period of a student's attendance must be measured from
13 the first day of instruction as set forth in the enrollment agreement
14 through the student's last day of actual attendance, regardless of
15 absences.

16 (b) The period of time for a training program is the period set
17 forth in the enrollment agreement.

18 (c) Tuition must be calculated using the tuition and fees set forth
19 in the enrollment agreement and does not include books, educational
20 supplies or equipment that is listed separately from the tuition and
21 fees.

22 **Sec. 2.** This act becomes effective on July 1, 2021.

