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HOUSE BILL NO. 375**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the House Committee on Education
on January 27, 2020)

(Patron Prior to Substitute—Delegate Willett)

*A BILL to amend and reenact § 23.1-230 of the Code of Virginia, relating to postsecondary schools; enrollment agreements; disputes; arbitration.***Be it enacted by the General Assembly of Virginia:****1. That § 23.1-230 of the Code of Virginia is amended and reenacted as follows:****§ 23.1-230. Enrollment agreements required.***A. No postsecondary school that is required to be certified by the Council shall enroll students without entering into an enrollment agreement with each student. Such enrollment agreement shall be signed by the student and an authorized representative of the school and shall contain all disclosures prescribed by the Council.**B. No postsecondary school that is required to be certified by the Council shall condition the enrollment of a student who receives state funds pursuant to this title on:**1. Entering into an agreement that requires the student to arbitrate any dispute between the student and the school, regardless of whether the agreement permits the student to opt out of the requirement to arbitrate any such dispute in the future; or**2. Entering into an agreement that requires the student to resolve a dispute on an individual basis and waive the right to class or group actions.**C. Each postsecondary school that does not receive state funds pursuant to this title and requires any student to submit to arbitration to resolve disputes with the school pursuant to the student's enrollment agreement shall:**1. Permit the student to report the dispute to any other individual or entity before the arbitration proceeding is initiated or completed;**2. Report each student dispute to the Council before the arbitration proceeding is initiated;**3. 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;**4. Report to the Council annual aggregated data on arbitration proceedings that result from student disputes, including the number, nature, and disposition of such proceedings; and**5. Disclose to students, upon enrollment, data on the frequency and nature of arbitration proceedings at the postsecondary school as previously reported to the Council, in a format determined by the Council.**D. No postsecondary school that does not receive state funds pursuant to this title and requires any student to submit to arbitration to resolve disputes with the school pursuant to the student's enrollment agreement shall:**1. Require that the student adjudicate a claim arising in the Commonwealth in a location that is more than 100 miles from where the student resides or where the contract was executed; or**2. Require that one party to the contract be allowed to unilaterally select one or more of the individuals or entities who will resolve the dispute.***2. That nothing in the provisions of this act shall be construed to affect any agreement between a postsecondary school that is required to be certified by the State Council of Higher Education for Virginia pursuant to Article 3 (§ 23.1-213 et seq.) of Chapter 2 of Title 23.1 of the Code of Virginia and a student enrolled at such school to arbitrate an existing dispute that is entered into after the dispute arises.**