

**DATE:** July 27, 2017  
**SUBJECT:** Fee Waiver Rules Revision  
**ACTION RECOMMENDED:** Adoption

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**BACKGROUND INFORMATION**

The Higher Education Commission has rule promulgation authority for the state’s higher education fee waiver program, available to state employees. Recent legislative enactments have necessitated revisions to the Administrative Rules for this program.

**PROPOSED RULES REVISIONS**

*Chapter 1540-01-04: Public Higher Education Fee Waivers for State Employees*

- Replaces the outdated term “technology center” with “colleges of applied technology” where appropriate.
- Includes language adding the six state university boards as governing bodies operating institutions at which employees may use a fee waiver.
- Updates language indicating that state employees may only use a waiver for “one course per term” to “one course at a time” to mirror language in T.C.A. § 8-50-114.
- Adds language allowing for an exemption from the “one course at a time” limitation for employees who are required to work more hours each week than typically required of full time employment for at least four (4) weeks per year, as enacted by Public Chapter 471 this year.
- Clarifies that appeals regarding the determination of eligibility of applicants for a waiver will be handled by the institutions subject to institutional procedures in place for admissions decisions.

**RECOMMENDATION**

- 1) That the Commission adopt the amended Chapter 1540-01-04 as proposed rules; and,
- 2) That the Commission authorize the Executive Director to make any necessary technical corrections to these rules including changes suggested by the Tennessee Attorney General.

**RULES  
OF  
THE TENNESSEE HIGHER EDUCATION COMMISSION**

**CHAPTER 1540-1-4  
PUBLIC HIGHER EDUCATION FEE WAIVERS FOR STATE EMPLOYEES**

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**1540-01-04-.01 DEFINITIONS.**

- (1) Course: Undergraduate or graduate credit courses at a state supported college or university, ~~to~~ certificate or diploma credit courses at the TCATs~~technology centers~~, or any course offered by the ~~TFLI~~TFLI.
- (2) Full-time Employee of the State of Tennessee: Employee of the executive, judicial, or legislative branches of Tennessee state government:
  - (a) classified as “full-time” and scheduled to work one thousand nine hundred and fifty (1,950) hours or more per fiscal year; or
  - (b) employees, regardless of classification, ~~and~~ scheduled to work a minimum of one thousand six hundred (1,600) hours per fiscal year and who receive employment benefits provided to all full-time employees.
- (3) Member of the General Assembly: Individual currently holding office as a member of either the House of Representatives or Senate and elected pursuant to Article II of the Tennessee Constitution.
- (4) Institution: Any sState supported community college, or university, or college of applied technology center or Institution: Any institution operated by the Board of Trustees of the University of Tennessee, or the Tennessee Board of Regents, or a state university board that ~~which~~ offers courses of instruction beyond the high school level, and the TFLI, as established by Tennessee Code Annotated Title 49, Chapter 50, Part 13.
- (5) TCAT: Tennessee College of Applied Technology.
- (~~5~~6) ~~Tennessee Foreign Language Institute or~~ TFLI: Tennessee Foreign Language Institute.
- (~~6~~7) Term: The time frame in which a course is offered ~~by the Institution, and for purposes of these rules includes Fall, Spring, Summer and special session terms,~~ as defined by the institution individual universities and colleges. ~~It is the intent of these rules that over the course of special session terms and the two Summer semester terms an employee or member of the General Assembly will be limited to no more than two courses, the instruction periods of which shall not overlap. For the technology centers and the TFLI, “term” refers to a three month reporting period. The four terms are:~~

~~July 1 – September 30  
October 1 – December 31  
January 1 – March 31  
April 1 – June 30~~

(Rule 1540-01-04-.01 continued)

(78) Fees that are waived by this program are defined as follows:

- (a) Debt ~~S~~ervice ~~F~~ee: A fee charged to students for the retirement of indebtedness that may be included in the maintenance fee charges.
- (b) Maintenance ~~F~~ee: A fee charged to students enrolled in credit courses. ~~It is as~~ an enrollment or registration fee and is calculated based on the number of student credit hours for which the student enrolls.
- (c) Registration ~~F~~ee: Maintenance fee as described above.
- (d) Student ~~A~~ctivity ~~F~~ee: A fee charged to students in addition to tuition and maintenance fees that is based on the credit hour enrollment of the student. Some institutions include the student activity fee in the maintenance fee rather than as a separate charge. The student activity fee supports health services, athletics, student newspapers and social and cultural events.
- (e) Tuition ~~C~~harge: A fee charged to students classified as non-residents in addition to the maintenance fee.

**Authority:** T.C.A. § 8-50-114. **Administrative History:** Original rule filed September 6, 1990; effective December 29, 1990. Repeal and new rule filed August 31, 2004; effective December 29, 2004. Public necessity rule filed June 3, 2005; effective through November 15, 2005. Amendment filed June 3, 2005; effective October 28, 2005.

#### 1540-01-04-.02 ELIGIBILITY.

- (1) A full-time employee of the State of Tennessee or a member of the General Assembly shall be eligible to enroll in one course ~~per term at a time~~ at any state supported ~~college, university or technology center, or the Tennessee Foreign Language Institute~~ institution without paying the tuition charge, maintenance fee, student activity fee, or registration fee.
- (2) Eligibility for the fee waiver shall be determined as of the ~~the respective institutions' or TFLI's first day of classes for the term~~ first day of classes for the term at the institution for which a fee waiver is sought according to the academic rules and regulations of the ~~institution or the TFLI~~ institution. The employee must also have six months or more of continuous service as a full-time employee to receive the fee waiver. A change in employment status after the first day of classes will affect eligibility for the fee waiver only for subsequent terms.
- (3) A full-time employee of the State of Tennessee or a member of the General Assembly who is otherwise eligible for a waiver of tuition and fees pursuant to T.C.A. § 8-50-114 who is required to work more hours each week than typically required of full-time employment for at least four weeks per year shall be exempt from the requirement that the waiver be used for only one course at a time. Certification of eligibility for this exemption shall be completed by the applicant's employer at the time of application for the waiver. Nothing in this section shall allow an employee to exceed enrollment in more than four courses per academic year.

**Authority:** T.C.A. §§ 8-50-114 and 49-7-166. **Administrative History:** Original rule filed September 6, 1990; effective December 29, 1990. Repeal and new rule filed August 31, 2004; effective December 29, 2004.

#### 1540-1-4-.03 LIMITATIONS.

- (1) Fee waivers not certified as exempt under Rule 1540-01-04-.02(3) are limited to one course

(Rule 1540-01-04-.03 continued)

~~per term at a time.~~ Fees will not be waived for non-credit or correspondence courses. Employees are not eligible for fee waivers at more than one ~~institution~~ per term at a time. ~~For the purposes of this paragraph, the term "Institution" shall include the TFLI.~~

- (2) Fees and charges ~~which that~~ will not be waived include the cost of books or other course materials ~~which that~~ are retained by the student, application fees, off-campus facilities fees, parking fees, traffic fines, and fees assessed that are applied to the cost of the course or ~~which that~~ directly support the department offering the course such as applied music fees, lab fees, fees assessed to offset the cost of offering distance education courses or courses offered in a particular discipline.
- (3) Fees will not be waived for programs for which part-time or course by course enrollment is prohibited as determined by the ~~institutions~~. Examples include, but are not limited to, programs of law, medicine, dentistry, pharmacy, and veterinary medicine.
- (4) The fee waiver program described in this ~~Chapter-Rule 1540-01-04~~ may not be used in conjunction with any other fee waiver or discount program.
- (5) At the time of enrollment, the ~~Employee~~ must have a completed state employee fee waiver form signed by ~~his or her the~~ employer certifying that the applicant is a full-time employee with at least six months of continuous service. Forms are available at the ~~higher education~~ institutions or on the Commission's website, <<https://www.tn.gov/thec/article/fee-waiver> [www.state.tn.us/thec](http://www.state.tn.us/thec)>.
- (6) Enrollment may be limited or denied by the ~~college, university, technology center, or the TFLI~~ institution on an individual basis according to space availability.
- (7) No tuition paying student shall be denied enrollment in a course because of state employee enrollments pursuant to this ~~Act~~ fee waiver program.
- (8) Rights and privileges provided to full-time employees of the ~~state university and community college system and the University of Tennessee~~ institutions pursuant to T.C.A. § 49-7-116 shall not be affected or diminished by the ~~Act~~ provisions of this fee waiver program.
- (9) The Higher Education Commission shall develop a methodology for allocating appropriations to reimburse ~~institutions and the TFLI~~ for fees waived pursuant to this program.

**Authority:** T.C.A. §§ 8-50-114 and 49-7-166. **Administrative History:** Original rule filed September 6, 1990; effective December 29, 1990. Repeal and new rule filed August 31, 2004; effective December 29, 2004.

#### 1540-1-4-.04 APPEAL PROCEDURES.

- (1) Appeals regarding the determination of eligibility of the applicant will be available through the respective institution in a manner consistent with institutional procedures now in place for admissions decisions.

**Authority:** T.C.A. § 8-50-114. **Administrative History:** Original rule filed September 6, 1990; effective December 29, 1990. Repeal and new rule filed August 31, 2004; effective December 29, 2004.

#### 1540-1-4-.05 REPEALED.

**Authority:** T.C.A. § 8-50-114. **Administrative History:** Original rule filed September 6, 1990; effective December 29, 1990. Repeal and new rule filed August 31, 2004; effective December 29, 2004.