

Testimony of Ray Rossomando

Higher Education and Employment Advancement Committee

Re: HB5421 An Act Prohibiting Institutions Of Higher Education From Charging A Convenience Fee For The Use Of Credit Cards In Making A Tuition Payment.

February 26, 2015

Good afternoon Senator Bartolomeo, Representative Willis, and members of the Higher Education and Employment Advancement Committee. My name is Ray Rossomando. In addition to my formal role as an advocate for public education, I am also a doctoral student in education leadership. I testify today in my capacity as a student and as an advocate for equity and fairness in educational opportunity.

The photo below is the actual payment page associated with a tuition payment of \$2,200. While this 2.75% fee may sound minimal, when applied to tuition payments of thousands of dollars, the charge is significant. **Note that the “convenience fee” charged for this payment is over \$60.**

UNIVERSITY OF HARTFORD

CASHNet[®] SMARTPAY

Raymond Rossomando

The University exclusively uses EBilling to distribute tuition bills. With this system all University of Hartford students and authorized payers receive billing notifications electronically via email rather than by mail. Students now have access to set up their parent, guardian or a third party authorized payer to access account information, prior bills and make payments. EBill notifications are sent to email addresses on file when a billing statement is available to view.

This site is owned and operated by Higher One, Inc.

If you choose to make a payment by using CASHNet[®] SMARTPAY you will be charged a service charge of \$60.50.

This charge is assessed by Higher One, Inc. Service charges are included in your transaction and are paid directly to Higher One, Inc. Service Charges are non-refundable.

I acknowledge that I have read and accept the [terms and conditions](#) of the Higher One, Inc. User Agreement and I understand that my transaction includes a non-refundable service charge of \$60.50 for the use of CASHNet[®] SmartPay.

Raymond Rossomando

West Hartford, CT

rossomand@hartford.edu

While I find this fee usurious, this is not my central concern. My concern is that such fees prey on those who must find multiple means for financing their college education. It preys on people who have no other choice. And it disproportionately impacts those most in need.

Many residents face financial, socio-economic, and other barriers to completing higher education. Those that face such barriers are statistically more likely to also be among racial minorities and lower-income. Permitting such fees completely reinforces these barriers.

As you may note in the photo, the fee is not paid to the university or the credit card company. It is paid to a third party simply for being a middle man. It is likely that the company providing such service has associated costs and delivers some semblance of value to the university for processing payments. But the resulting fees are arbitrary, out of proportion, and paid by those who are most harmed by them – students.

As committee members deliberate this bill, please consider prohibiting such fees. If a straight prohibition is not feasible, please consider allowing a percentage fee of no more than 1.5% to be applied, with a dollar amount cap of \$10 on the overall fee charged.

Thank you