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**Ways & Means Committee**

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**HB 2344**

**Brief Description:** Regarding resident undergraduate tuition.

**Sponsors:** Representative Haigh.

**Brief Summary of Bill**

- Specifies that resident undergraduate tuition increases are authorized in the omnibus operating budget bill.
- Permits the Legislature to increase tuition above the previous 7 percent cap.

**Hearing Date:** 4/14/09

**Staff:** Debbie Driver (786-7143)

**Background:**

**Tuition Setting Authority**

Since the 1999-2000 academic year, governing boards of each institution of higher education and the State Board for Community and Technical Colleges are granted authority to increase tuition rates for resident undergraduate students within caps set by the Legislature in the budget act. Previously, the Legislature set tuition in statute as dollar amounts for each public institution. Since 1999-2000, legislative authorized levels of tuition have varied.

<b>Academic Year</b>	<b>Authorized Resident Undergraduate Increases</b>
1999-2000	4.6%
2000-2001	3.6%
2001-02	6.7%
2002-03*	

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Research	16.0%
Regional	14.0%
Community & Technical Colleges	12.0%
2003-04	7.0%
2004-05	7.0%
2005-06 & 2006-07	
Research	7.0%
Regional	6.0%
Community & Technical Colleges	5.0%
2007-08 & 2008-09	
Research	7.0%
Regional	5.0%
Community & Technical Colleges	2.0%

Tuition amounts (or percentage increases) specified in statute have referred only to the “tuition” portion of tuition and fees. Public colleges and universities are authorized to assess additional fees – such as services and activities fees and technology fees within statutory limits.

#### **State funding goals and WA Learns**

Legislation enacted in 2005 created a comprehensive education and finance study covering early learning, K-12, and higher education. This effort, known as Washington Learns, comprised a steering committee chaired by the Governor and advisory committees for each education sector. The steering and advisory committees were directed to conduct a comprehensive study of early learning, K-12, and higher education; to develop recommendations on how the state can best provide stable funding for early learning, public schools, and public colleges and universities; and to develop recommendations on specified policy issues. The Washington Learns final report, a culmination of the 18-month study, was completed in November 2006.

Many of the recommendations from the Washington Learns report were included in Second Substitute Senate Bill 5806, which passed in 2007. One of the components of 2SSB 5806 capped tuition increases for resident students at 7 percent per year between the 2007-08 academic year and the 2016-17 academic year. The legislation also specified a goal that total per-student funding levels (from state appropriations plus tuition and fees) would be at least the 60 percentile of total per-student funding at similar institutions in the Global Challenge States. In defining comparable per-student funding levels, the Office of Financial Management (OFM) was required to adjust for regional cost of living differences, for differences in program offerings and the relative mix of lower division, upper division, and graduate students, and for accounting and reporting differences among the comparison institutions.

#### **Summary of Bill:**

Beginning in the 2009-10 academic year, resident undergraduate tuition increases at institutions of higher education shall be set in the omnibus operating budget, and the 7 percent cap is removed.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.