SENATE BILL 5679

State of Washington 62nd Legislature 2011 Regular Session

By Senator Kastama

Read first time 02/04/11. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to per-student cost recovery revenue for 2 institutions of higher education; and amending RCW 28B.15.067 and 3 28B.15.068.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 Sec. 1. RCW 28B.15.067 and 2010 c 20 s 7 are each amended to read 6 as follows:

7 (1) Tuition fees shall be established under the provisions of this8 chapter.

9 (2)(a) Beginning with the 2003-04 academic year and ending with the 10 ((2012-13)) <u>2010-11</u> academic year, reductions or increases in full-time 11 tuition fees for resident undergraduates shall be as provided in the 12 omnibus appropriations act.

13 (b) Beginning with the 2011-12 academic year, reductions or 14 increases in full-time tuition fees for resident undergraduates at the 15 community and technical colleges shall be as provided in the omnibus 16 appropriations act.

17 (c) Beginning with the 2011-12 academic year, increases in full-18 time tuition fees for resident undergraduates shall be set by the state 19 universities, regional universities, and The Evergreen State College,

with reference to total per-student funding, which is state funding 1 combined with tuition fees, at each institution for the 2009-10 2 academic year. If total per-student funding at that institution is 3 equal to or greater than that for the 2009-10 academic year, tuition 4 fees may increase no greater than two percent over the previous 5 6 academic year. If state funding falls below that provided in the operating budget for fiscal year 2009, tuition fees may increase so 7 that total per-student funding at that institution is equal to that for 8 9 the 2009-10 academic year plus a two percent annual increment.

(3)(a) Beginning with the 2003-04 academic year and ending with the 10 11 2012-13 academic year, the governing boards of the state universities, 12 the regional universities, The Evergreen State College, and the state 13 board for community and technical colleges may reduce or increase fulltime tuition fees for all students other than resident undergraduates, 14 15 including summer school students and students in other self-supporting degree programs. Percentage increases in full-time tuition fees may 16 exceed the fiscal growth factor. Reductions or increases may be made 17 18 for all or portions of an institution's programs, campuses, courses, or 19 students.

20 (b) Prior to reducing or increasing tuition for each academic year, 21 the governing boards of the state universities, the regional 22 universities, and The Evergreen State College shall consult with 23 student associations or organizations with existing student 24 undergraduate and graduate representatives regarding the impacts of potential tuition increases. Governing boards shall be required to 25 26 provide data regarding the percentage of students receiving financial 27 aid, the sources of aid, and the percentage of total costs of 28 attendance paid for by aid.

(c) Prior to reducing or increasing tuition for each academic year, 29 30 each college in the state board for community and technical college shall consult with existing student 31 system associations or organizations with undergraduate student representation regarding the 32 impacts of potential tuition increases. Colleges shall provide data 33 regarding the percentage of students receiving financial aid, the 34 35 sources of aid, and the percentage of total costs of attendance paid 36 for by aid.

37 (4) ((Academic year tuition for full-time students at the state's

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institutions of higher education beginning with 2015-16, other than summer term, shall be as charged during the 2014-15 academic year unless different rates are adopted by the legislature.

4 (5))) The tuition fees established under this chapter shall not
5 apply to high school students enrolling in participating institutions
6 of higher education under RCW 28A.600.300 through 28A.600.400.

7 (((6))) <u>(5)</u> The tuition fees established under this chapter shall 8 not apply to eligible students enrolling in a dropout reengagement 9 program through an interlocal agreement between a school district and 10 a community or technical college under RCW 28A.175.100 through 11 28A.175.110.

12 (((7))) (6) The tuition fees established under this chapter shall 13 not apply to eligible students enrolling in a community or technical 14 college participating in the pilot program under RCW 28B.50.534 for the 15 purpose of obtaining a high school diploma.

16 (((8) For the academic years 2003-04 through 2008-09, the 17 University of Washington shall use an amount equivalent to ten percent 18 of all revenues received as a result of law school tuition increases 19 beginning in academic year 2000-01 through academic year 2008-09 to 20 assist needy low and middle-income resident law students.

(9) For the academic years 2003-04 through 2008-09, institutions of higher education shall use an amount equivalent to ten percent of all revenues received as a result of graduate academic school tuition increases beginning in academic year 2003-04 through academic year 2008-09 to assist needy low and middle-income resident graduate academic students.

27 (10))) (7) Any tuition increases above seven percent shall fund costs of instruction, library and student services, utilities and 28 29 maintenance, other costs related to instruction well as as 30 institutional financial aid. ((Through 2010-11, any funding reductions to instruction, library and student services, utilities and maintenance 31 32 and other costs related to instruction shall be proportionally less than other program areas including administration.)) 33

34 Sec. 2. RCW 28B.15.068 and 2009 c 540 s 1 are each amended to read 35 as follows:

36 (1) ((Beginning with the 2007-08 academic year and ending with the 37 2016-17 academic year,)) <u>T</u>uition fees charged to full-time resident

undergraduate students((, except in academic years 2009-10 and 2010-1 2 (11,)) may increase no greater than seven percent over the previous academic year ((in any institution of higher education)) at community 3 and technical colleges. Annual reductions or increases in full-time 4 tuition fees for resident undergraduate students shall be as provided 5 б in the omnibus appropriations act, within the seven percent increase limit established in this section. ((For academic years 2009-10 and 7 8 2010-11 the omnibus appropriations act may provide tuition increases 9 greater than seven percent.)) To the extent that state appropriations combined with tuition and fee revenues are insufficient to achieve the 10 11 total per-student funding goals established in subsection (2) of this 12 section, the legislature may revisit state appropriations, authorized 13 enrollment levels, and changes in tuition fees for any given fiscal 14 year.

(2) The state shall adopt as its goal total per-student funding 15 levels, from state appropriations plus tuition and fees, of at least 16 the sixtieth percentile of total per-student funding at similar public 17 institutions of higher education in the global challenge states. 18 In 19 defining comparable per-student funding levels, the office of financial 20 management shall adjust for regional cost-of-living differences; for 21 differences in program offerings and in the relative mix of lower 22 division, upper division, and graduate students; and for accounting and 23 reporting differences among the comparison institutions. The office of 24 financial management shall develop a funding trajectory for each fouryear institution of higher education and for the community and 25 26 technical college system as a whole that when combined with tuition and 27 fees revenue allows the state to achieve its funding goal for each four-year institution and the community and technical college system as 28 a whole no later than fiscal year 2017. 29 The state shall not reduce enrollment levels below fiscal year 2007 budgeted levels in order to 30 improve or alter the per-student funding amount at any four-year 31 institution of higher education or the community and technical college 32 33 system as a whole. The state recognizes that each four-year institution of higher education and the community and technical college 34 35 system as a whole have different funding requirements to achieve 36 desired performance levels, and that increases to the total per-student 37 funding amount may need to exceed the minimum funding goal.

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(3) By September 1st of each year beginning in 2008, the office of 1 2 financial management shall report to the governor, the higher education coordinating board, and appropriate committees of the legislature with 3 4 updated estimates of the total per-student funding level that sixtieth percentile of funding for comparable 5 represents the institutions of higher education in the global challenge states, and б the progress toward that goal that was made for each of the public 7 institutions of higher education. 8

9 (4) As used in this section, "global challenge states" are the top performing states on the new economy index published by the progressive 10 11 policy institute as of July 22, 2007. The new economy index ranks 12 states on indicators of their potential to compete in the new economy. 13 At least once every five years, the office of financial management shall determine if changes to the list of global challenge states are 14 The office of financial management shall report its 15 appropriate. findings to the governor and the legislature. 16

(5) ((During the 2009-10 and the 2010-11 academic years,)) The institutions of higher education shall include information on their billing statements notifying students of <u>available federal</u> tax credits ((available through the American opportunity tax credit provided in the American recovery and reinvestment act of 2009)).

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