SENATE BILL 6668

State of Washington 66th Legislature 2020 Regular Session

By Senators Stanford, Nguyen, Hunt, and Saldaña

Read first time 02/03/20. Referred to Committee on Higher Education & Workforce Development.

- AN ACT Relating to services and activities fee transparency; and
- 2 amending RCW 28B.15.045.

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- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 28B.15.045 and 2012 c 104 s 2 are each amended to read as follows:
 - The legislature recognizes that institutional governing boards have a responsibility to manage and protect institutions of higher education. This responsibility includes ensuring certain lawful agreements for which revenues from services and activities fees have been pledged. Such lawful agreements include, but are not limited to, bond covenant agreements and other contractual obligations. Institutional governing boards are also expected to protect the stability of programs that benefit students.
 - The legislature also recognizes that services and activities fees are paid by students for the express purpose of funding student services and programs. It is the intent of the legislature that governing boards ensure that students have a strong voice in recommending budgets for services and activities fees. The boards of trustees and the boards of regents of the respective institutions of higher education shall adopt guidelines governing the establishment and funding of programs supported by services and activities fees.

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Such guidelines shall stipulate procedures for budgeting and expending services and activities fee revenue. Any such guidelines shall be consistent with the following provisions:

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- (1) Student representatives from the services and activities fee committee and representatives of the college or university administration shall have an opportunity to address the board before board decisions on services and activities fee budgets and dispute resolution actions are made.
- (2) Members of the governing boards shall adhere to the principle that services and activities fee committee desires be given priority consideration on funding items that do not fall into the categories of preexisting contractual obligations, bond covenant agreements, or stability for programs affecting students.
- (3) Responsibility for proposing to the administration and the governing board program priorities and budget levels for that portion of program budgets that derive from services and activities fees shall reside with a services and activities fee committee, on which students shall hold at least a majority of the voting memberships, such student members shall represent diverse student interests, and shall be recommended by the student government association or its equivalent. The services and activities fee committee may propose and adopt limitations on the maximum percent of total services and activities fee revenue that may be waived through fee waivers. Limitations on fee waivers do not apply to mandatory fee waivers granted under RCW 28B.15.380, 28B.15.395, 28B.15.520, or 28B.15.621. The chairperson of the services and activities fee committee shall be selected by the members of that committee. The governing board shall insure that the services and activities fee committee provides an opportunity for all viewpoints to be heard at a public meeting during its consideration of the funding of student programs and activities.
- (4) The services and activities fee committee shall evaluate existing and proposed programs and submit budget recommendations for the expenditure of those services and activities fees with supporting documents simultaneously to the college or university governing board and administration.
- (5) The college or university administration shall review the services and activities fee committee budget recommendations and publish a written response to the services and activities fee committee. This response shall outline potential areas of difference between the committee recommendations and the administration's

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proposed budget recommendations. This response, with supporting documentation, shall be submitted to the services and activities fee committee in a timely manner to allow adequate consideration.

- (6)(a) In the event of a dispute or disputes involving the services and activities fee committee recommendations, the college or university administration shall meet with the services and activities fee committee in a good faith effort to resolve such dispute or disputes prior to submittal of final recommendations to the governing board.
- 10 (b) If said dispute is not resolved within fourteen days, a 11 dispute resolution committee shall be convened by the chair of the 12 services and activities fee committee within fourteen days.
 - (7) The dispute resolution committee shall be selected as follows: The college or university administration shall appoint two nonvoting advisory members; the governing board shall appoint three voting members; and the services and activities fee committee chair shall appoint three student members of the services and activities fee committee who will have a vote, and one student representing the services and activities fee committee who will chair the dispute resolution committee and be nonvoting. The committee shall meet in good faith, and settle by vote any and all disputes. In the event of a tie vote, the chair of the dispute resolution committee shall vote to settle the dispute.
 - (8) The governing board may take action on those portions of the services and activities fee budget not in dispute in accordance with the customary budget approval timeline established by the board. The governing board shall consider the results, if any, of the dispute resolution committee and shall take action.
 - (9) Services and activities fees and revenues generated by programs and activities funded by such fees shall be deposited and expended through the office of the chief fiscal officer of the institution.
 - (10) Services and activities fees and revenues generated by programs and activities funded by such fees shall be subject to the applicable policies, regulations, and procedures of the institution and the budget and accounting act, chapter 43.88 RCW.
 - (11) All information pertaining to services and activities fees budgets shall be made available to interested parties. Annually, by September 30th, the services and activities fees committee at each institution of higher education, in coordination with the

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1 administration of the institution of higher education, shall post services and activities fees expenditure information for the prior 2 academic year on the college or university web site so that the 3 information is clearly visible and easily accessible to students and 4 the public. At a minimum, the services and activities fees budget 5 6 information must include all the major categories of expenditure and 7 the amounts expended in each category. In addition, the publicly posted services and activities fees budget information must include 8 the number of fee waivers and total dollar value of mandatory 9 services and activities fee waivers that were granted under RCW 10 28B.15.380, 28B.15.395, 28B.15.520, or 28B.15.621, and the dollar 11 value of nonmandatory services and activities fee waivers granted 12 through college or university fee waivers. 13

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(12) With the exception of any funds needed for bond covenant obligations, once the budget for expending services and activities fees is approved by the governing board, funds shall not be shifted from funds budgeted for associated students or departmentally related categories or the reserve fund until the administration provides written justification to the services and activities fee committee and the governing board, and the governing board and the services and activities fee committee give their express approval. In the event of a fund transfer dispute among the services and activities fee committee, the administration, or the governing board, said dispute shall be resolved pursuant to subsections (6)(b), (7), and (8) of this section.

26 (13) Any services and activities fees collected which exceed 27 initially budgeted amounts are subject to subsections (1) through 28 (10) and (12) of this section.

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