

HOUSE BILL REPORT

HB 1460

As Reported By House Committee On:

Higher Education
Appropriations

Title: An act relating to higher education tuition.

Brief Description: Adjusting tuition rates for first-professional law students to approximate tuition rates for first-professional law students at comparable institutions.

Sponsors: Representatives Huff and Carlson.

Brief History:

Committee Activity:

Higher Education: 2/11/97, 2/12/97, 2/27/97 [DPS];

Appropriations: 3/6/97, 3/8/97 [DP2S(w/o sub HE)].

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Carlson, Chairman; Radcliff, Vice Chairman; Mason, Ranking Minority Member; Kenney, Assistant Ranking Minority Member; Butler; Dunn; O'Brien; Sheahan and Van Luven.

Staff: Suzi Morrissey (786-7120).

Background: Tuition rates for students attending public colleges and universities are determined by law. Nonresident students pay substantially higher tuition rates than the rates paid by resident students.

The University of Washington is the only public baccalaureate institution in the state that offers a law degree. At the university, law students pay the same tuition rates as students enrolled in graduate study programs. During the 1996-97 academic year, tuition rates for law students were \$4,669 for residents and \$12,100 for nonresidents. The University of Washington considers its law degree to be a professional degree rather than a graduate degree. In its budget request, the university has asked the Legislature to create a new tuition category for students enrolled in law programs. Over the next six years, the University of Washington has asked the Legislature to annually increase tuition rates for law students by \$642 for resident students and \$951 for nonresident students. If its request is granted, the university estimates that, at the

end of the six year period, tuition rates for law students will be at about the average tuition rates charged by the university's public peer institutions.

Summary of Substitute Bill: A new tuition category is created for nonresident students enrolled in programs leading to a law degree. Over the next six years, tuition rates for nonresident students enrolled in first-professional law programs will increase by \$951 each year. At least 10 percent of the revenue received from the difference between tuition rates for graduate students and tuition rates for law students must be used to help needy resident students enrolled in law programs. The revenue for this assistance is in addition to the requirement that each baccalaureate institution and community college deposit 3.5 percent of all tuition and fee revenue into each institution's local financial aid fund.

The Higher Education Coordinating Board will maintain lists of comparable institutions for each research university.

Substitute Bill Compared to Original Bill: Tuition rates are not increased for resident law students. The financial aid requirements are included.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: (original bill) The University of Washington has one of the most prestigious law programs in the country. Tuition rates at the university for resident law students are about 59 percent below the average tuition rates at comparable public institutions. Tuition rates for nonresident law students are about 22 percent below nonresident rates at comparable public institutions. Many nonresident students who apply are also considering enrollment in prestigious and expensive independent colleges. The rates proposed in this legislation are considerably lower than tuition rates at most comparable independent colleges. Revenue from this increase will be used to improve quality and course access for resident students. The university will use donated funds to create an endowment for scholarships for law students who wish to enter public service.

Testimony Against: (original bill) Tuition rates have climbed steeply in Washington's public baccalaureate institutions in recent years. These increases have created difficult financial problems for many students and their families. The tuition increases proposed in this legislation may cause some students to increase debt burdens that are already formidable. High tuition rates may also discourage some students from seeking public service jobs.

Testified: Representative Tom Huff, prime sponsor (pro); Sherry Burkey, University of Washington (pro); John Linder, President of Associated Students, University of Washington (con); Bruce Eklund, Washington Student Lobby (con); Judy Nicasro, law student, University of Washington (con); Nan Hussey, President, Graduate and Professional Student Senate, University of Washington (con); Ron Dear, faculty, University of Washington (pro); Kim Goforth, law student, University of Washington (con); Emily Johnson, law student, University of Washington (con); and Richard McCormick, President, University of Washington (pro).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Higher Education. Signed by 19 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; Gombosky, Assistant Ranking Minority Member; Carlson; Chopp; Cooke; Crouse; Kenney; Lambert; Lisk; Mastin; McMorris; Parlette; Regala; D. Schmidt; Sehlin and Talcott.

Minority Report: Do not pass. Signed by 11 members: Representatives H. Sommers, Ranking Minority Member; Doumit, Assistant Ranking Minority Member; Benson; Cody; Grant; Keiser; Kessler; Linville; Poulsen; Sheahan and Tokuda.

Staff: Mary Alice Grobins (786-7118).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Higher Education: The second substitute bill increases tuition for resident law school students by \$642 per year for six years in addition to the non-resident student tuition increases provided in the substitute bill. The second substitute bill also provides that 10 percent of the revenue received from the difference between tuition rates for graduate students and tuition rates for law school students must be used for financial aid for needy resident law school students. This is in addition to the current requirement that each institution deposit 3.5 percent of all tuition and fee revenue into its local financial aid fund.

Appropriation: None.

Fiscal Note: Available.

Effective Date Ninety days after adjournment of session in which bill is passed.

Testimony For: The University of Washington (UW) is looking at all sources of revenue. The UW law school tuition is 43 percent below the average of its peer

institutions. It is considered one of the country's best law schools, and currently all graduate students at the UW are paying the same tuition. One size does not fit all—for graduate student tuition levels.

Testimony Against: The proposed tuition rates are too high and will price people out of law school. This bill increases the incentive for students to become state residents which in turns decreases tuition revenue to the UW. The peer argument is not a valid one because the UW is a public institution and provides a public service. It doesn't cost the UW more to run the law program than other programs, and there is no justification for the increased rate.

Testified: Sherry Burkey, University of Washington (pro); and Amit Ranade, Associated Students, University of Washington (con).