

SHB 1696 - S COMM AMD

By Committee on Higher Education

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 28B.15.031 and 2012 c 230 s 6 are each amended to
4 read as follows:

5 (1) The term "operating fees" as used in this chapter shall
6 include the fees, other than building fees, charged all students
7 registering at the state's colleges and universities but shall not
8 include fees for short courses, self-supporting degree credit
9 programs and courses, marine station work, experimental station work,
10 correspondence or extension courses, and individual instruction and
11 student deposits or rentals, disciplinary and library fines, which
12 colleges and universities shall have the right to impose, laboratory,
13 gymnasium, health, technology and student activity fees, or fees,
14 charges, rentals, and other income derived from any or all revenue
15 producing lands, buildings and facilities of the colleges or
16 universities heretofore or hereafter acquired, constructed or
17 installed, including but not limited to income from rooms,
18 dormitories, dining rooms, hospitals, infirmaries, housing or student
19 activity buildings, vehicular parking facilities, land, or the
20 appurtenances thereon, or such other special fees as may be
21 established by any college or university board of trustees or regents
22 from time to time. All moneys received as operating fees at any
23 institution of higher education shall be deposited in a local account
24 containing only operating fees revenue and related interest:
25 PROVIDED, That a minimum of five percent of operating fees shall be
26 retained by ~~((the))~~ any four-year institution~~((s))~~ of higher
27 education that ~~((increase))~~ increased tuition for resident
28 undergraduate students above assumed tuition increases in the
29 2011-2013 or 2013-2015 omnibus appropriations act, a minimum of four
30 percent of operating fees shall be retained by four-year institutions
31 of higher education that ~~((do))~~ did not increase tuition for resident
32 undergraduates above assumed increases in the 2011-2013 or 2013-2015
33 omnibus appropriations act, and a minimum of three and one-half

1 percent of operating fees shall be retained by the community and
2 technical colleges for the purposes of RCW 28B.15.820. At least
3 thirty percent of operating fees required to be retained by the four-
4 year institutions for purposes of RCW 28B.15.820 shall be used only
5 for the purposes of RCW 28B.15.820(10).

6 (2) In addition to the three and one-half percent of operating
7 fees retained by the institutions under subsection (1) of this
8 section, up to three percent of operating fees charged to students at
9 community and technical colleges shall be transferred to the
10 community and technical college innovation account for the
11 implementation of the college board's strategic technology plan in
12 RCW 28B.50.515. The percentage to be transferred to the community and
13 technical college innovation account shall be determined by the
14 college board each year but shall not exceed three percent of the
15 operating fees collected each year.

16 (3) Local operating fee accounts shall not be subject to
17 appropriation by the legislature but shall be subject to allotment
18 procedures by budget program and fiscal year under chapter 43.88 RCW.

19 **Sec. 2.** RCW 28B.15.067 and 2013 2nd sp.s. c 4 s 958 are each
20 amended to read as follows:

21 (1) Tuition fees shall be established under the provisions of
22 this chapter.

23 (2) (~~Beginning in the 2011-12 academic year,~~) Reductions or
24 increases in full-time tuition fees shall be as provided in the
25 omnibus appropriations act for resident undergraduate students at
26 four-year institutions of higher education and community and
27 technical colleges. The governing boards of the state universities,
28 regional universities, and The Evergreen State College; and the state
29 board for community and technical colleges may reduce or increase
30 full-time tuition fees for all students other than resident
31 undergraduates, including nonresident students, summer school
32 students, and students in other self-supporting degree programs(~~-~~
33 ~~Percentage increases in full-time tuition~~), and increases may exceed
34 the fiscal growth factor. (~~Except during the 2013-2015 fiscal~~
35 ~~biennium~~) Subject to biennial approval in the omnibus appropriations
36 act, the state board for community and technical colleges and the
37 governing boards of the state universities, regional universities,
38 and The Evergreen State College may pilot or institute differential
39 tuition models. The boards may define scale, scope, and rationale for

1 the models. However, differential tuition models shall not be
2 implemented during the 2015-2017 biennium.

3 ~~(3)(a) ((Beginning with the 2011-12 academic year and through the~~
4 ~~end of the 2014-15 academic year, the governing boards of the state~~
5 ~~universities, the regional universities, and The Evergreen State~~
6 ~~College may reduce or increase full-time tuition fees for all~~
7 ~~students, including summer school students and students in other~~
8 ~~self-supporting degree programs. Percentage increases in full-time~~
9 ~~tuition fees may exceed the fiscal growth factor. Reductions or~~
10 ~~increases may be made for all or portions of an institution's~~
11 ~~programs, campuses, courses, or students; however, during the~~
12 ~~2013-2015 fiscal biennium, reductions or increases in tuition must be~~
13 ~~uniform among resident undergraduate students.~~

14 ~~(b))~~ Prior to reducing or increasing tuition for each academic
15 year, the governing boards of the state universities, the regional
16 universities, and The Evergreen State College shall consult with
17 existing student associations or organizations with student
18 undergraduate and graduate representatives regarding the impacts of
19 potential tuition increases. Each governing board shall make public
20 its proposal for tuition and fee increases twenty-one days before the
21 governing board of the institution considers adoption and allow
22 opportunity for public comment. However, the requirement to make
23 public a proposal for tuition and fee increases twenty-one days
24 before the governing board considers adoption shall not apply if the
25 omnibus appropriations act has not passed the legislature by May
26 15th. Governing boards shall be required to provide data regarding
27 the percentage of students receiving financial aid, the sources of
28 aid, and the percentage of total costs of attendance paid for by aid.

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

37 ~~(4) ((Beginning with the 2015-16 academic year through the~~
38 ~~2018-19 academic year, the governing boards of the state~~
39 ~~universities, regional universities, and The Evergreen State College~~
40 ~~may set tuition for resident undergraduates as follows:~~

1 ~~(a) If state funding for a college or university falls below the~~
2 ~~state funding provided in the operating budget for fiscal year 2011,~~
3 ~~the governing board may increase tuition up to the limits set in (d)~~
4 ~~of this subsection, reduce enrollments, or both;~~

5 ~~(b) If state funding for a college or university is at least at~~
6 ~~the level of state funding provided in the operating budget for~~
7 ~~fiscal year 2011, the governing board may increase tuition up to the~~
8 ~~limits set in (d) of this subsection and shall continue to at least~~
9 ~~maintain the actual enrollment levels for fiscal year 2011 or~~
10 ~~increase enrollments as required in the omnibus appropriations act;~~

11 ~~(c) If state funding is increased so that combined with resident~~
12 ~~undergraduate tuition the sixtieth percentile of the total per-~~
13 ~~student funding at similar public institutions of higher education in~~
14 ~~the global challenge states under RCW 28B.15.068 is exceeded, the~~
15 ~~governing board shall decrease tuition by the amount needed for the~~
16 ~~total per student funding to be at the sixtieth percentile under RCW~~
17 ~~28B.15.068; and~~

18 ~~(d) The amount of tuition set by the governing board for an~~
19 ~~institution under this subsection (4) may not exceed the sixtieth~~
20 ~~percentile of the resident undergraduate tuition of similar public~~
21 ~~institutions of higher education in the global challenge states.~~

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

25 ~~((6))~~ (5) The tuition fees established under this chapter shall
26 not apply to eligible students enrolling in a dropout reengagement
27 program through an interlocal agreement between a school district and
28 a community or technical college under RCW 28A.175.100 through
29 28A.175.110.

30 ~~((7))~~ (6) The tuition fees established under this chapter shall
31 not apply to eligible students enrolling in a community or technical
32 college participating in the pilot program under RCW 28B.50.534 for
33 the purpose of obtaining a high school diploma.

34 ~~((8) Beginning in the 2019-20 academic year, reductions or~~
35 ~~increases in full-time tuition fees for resident undergraduates at~~
36 ~~four-year institutions of higher education shall be as provided in~~
37 ~~the omnibus appropriations act.~~

38 ~~(9) The legislative advisory committee to the committee on~~
39 ~~advanced tuition payment established in RCW 28B.95.170 shall:~~

1 ~~(a) Review the impact of differential tuition rates on the funded~~
2 ~~status and future unit price of the Washington advanced college~~
3 ~~tuition payment program; and~~

4 ~~(b) No later than January 14, 2013, make a recommendation to the~~
5 ~~appropriate policy and fiscal committees of the legislature regarding~~
6 ~~how differential tuition should be addressed in order to maintain the~~
7 ~~ongoing solvency of the Washington advanced college tuition payment~~
8 ~~program.)~~

9 **Sec. 3.** RCW 28B.15.102 and 2014 c 162 s 1 are each amended to
10 read as follows:

11 (1) ~~((Beginning with the 2011-12 academic year,))~~ Any four-year
12 institution of higher education that ~~((increases))~~ increased tuition
13 beyond levels assumed in the 2011-2013 or 2013-2015 omnibus
14 appropriations act is subject to the financial aid requirements
15 included in this section ~~((and shall remain subject to these~~
16 ~~requirements through the 2018-19 academic year))~~.

17 (2) ~~((Beginning July 1, 2011, each))~~ Four-year institutions of
18 higher education that ~~((raises))~~ increased tuition beyond levels
19 assumed in the 2011-2013 or 2013-2015 omnibus appropriations act
20 ~~((shall, in a manner consistent with the goal of enhancing the~~
21 ~~quality of and access to their institutions,))~~ must provide financial
22 aid to offset full-time tuition fees for resident undergraduate
23 students as follows:

24 (a) Subtract from the full-time tuition fees an amount that is
25 equal to the maximum amount of a state need grant award that would be
26 given to an eligible student with a family income at or below fifty
27 percent of the state's median family income as determined by the
28 student achievement council; and

29 (b) Offset the remainder as follows:

30 (i) Students with demonstrated need whose family incomes are at
31 or below fifty percent of the state's median family income shall
32 receive financial aid equal to one hundred percent of the remainder
33 if an institution's full-time tuition fees for resident undergraduate
34 students is five percent or greater of the state's median family
35 income for a family of four as provided by the student achievement
36 council;

37 (ii) Students with demonstrated need whose family incomes are
38 greater than fifty percent and no more than seventy percent of the
39 state's median family income shall receive financial aid equal to

1 seventy-five percent of the remainder if an institution's full-time
2 tuition fees for resident undergraduate students is ten percent or
3 greater of the state's median family income for a family of four as
4 provided by the student achievement council;

5 (iii) Students with demonstrated need whose family incomes exceed
6 seventy percent and are less than one hundred percent of the state's
7 median family income shall receive financial aid equal to fifty
8 percent of the remainder if an institution's full-time tuition fees
9 for resident undergraduate students is fifteen percent or greater of
10 the state's median family income for a family of four as provided by
11 the student achievement council; and

12 (iv) Students with demonstrated need whose family incomes are at
13 or exceed one hundred percent and are no more than one hundred
14 twenty-five percent of the state's median family income shall receive
15 financial aid equal to twenty-five percent of the remainder if an
16 institution's full-time tuition fees for resident undergraduate
17 students is twenty percent or greater of the state's median family
18 income for a family of four as provided by the student achievement
19 council.

20 (3) The financial aid required in subsection (2) of this section
21 shall:

22 (a) Be reduced by the amount of other financial aid awards, not
23 including the state need grant;

24 (b) Be prorated based on credit load; and

25 (c) Only be provided to students up to demonstrated need.

26 (4) Financial aid sources and methods may be:

27 (a) Tuition revenue or locally held funds;

28 (b) Tuition waivers created by a four-year institution of higher
29 education for the specific purpose of serving low and middle-income
30 students; or

31 (c) Local financial aid programs.

32 (5) Use of tuition waivers as specified in subsection (4)(b) of
33 this section shall not be included in determining total state tuition
34 waiver authority as defined in RCW 28B.15.910.

35 (6) By December 31st every year, four-year institutions of higher
36 education that (~~increase~~) increased tuition beyond levels assumed
37 in the 2011-2013 or 2013-2015 omnibus appropriations act (~~after~~
38 ~~January 1, 2011,~~) shall report to the governor and relevant
39 committees of the legislature on the effectiveness of the various
40 sources and methods of financial aid in mitigating tuition increases.

1 (~~(A key purpose of these reports is to provide information regarding~~
2 ~~the results of the decision to grant tuition-setting authority to the~~
3 ~~four-year institutions of higher education and whether tuition~~
4 ~~setting authority should continue to be granted to the institutions~~
5 ~~or revert back to the legislature after consideration of the impacts~~
6 ~~on students, including educational access, affordability, and~~
7 ~~quality.)) These reports shall include:~~

8 (a) The amount of financial aid provided to middle-income and
9 low-income resident students with demonstrated need in the aggregate
10 and per student;

11 (b) An itemization of the sources and methods of financial aid
12 provided by the four-year institution of higher education in the
13 aggregate and per student for resident undergraduate students;

14 (c) An analysis of the combined impact of federal tuition tax
15 credits and financial aid provided by the institution of higher
16 education on the net cost to students and their families resulting
17 from tuition increases;

18 (d) In cases where tuition increases are greater than those
19 assumed in the omnibus appropriations act at any four-year
20 institution of higher education, the institution must include an
21 explanation in its report of why this increase was necessary and how
22 the institution will mitigate the effects of the increase. The
23 institution must include in this section of its report a plan and
24 specific timelines; and

25 (e) An analysis of changes in resident student enrollment
26 patterns, participation rates, graduation rates, and debt load, by
27 race and ethnicity, gender, state and county of origin, age, and
28 socioeconomic status, and a plan to mitigate effects of reduced
29 diversity due to tuition increases. This analysis shall include
30 disaggregated data for resident students in the following income
31 brackets:

32 (i) Up to seventy percent of the median family income;

33 (ii) Between seventy-one percent and one hundred twenty-five
34 percent of the median family income; and

35 (iii) Above one hundred twenty-five percent of the median family
36 income.

37 (7) Beginning in the 2012-13 academic year, the University of
38 Washington shall enroll during each academic year at least the same
39 number of resident first-year undergraduate students at the Seattle
40 campus, as defined in RCW 28B.15.012, as enrolled during the 2009-10

1 academic year. This requirement shall not apply to nonresident
2 undergraduate and graduate and professional students.

3 NEW SECTION. **Sec. 4.** The following acts or parts of acts are
4 each repealed:

5 (1) RCW 28B.15.068 (Estimates of per-student funding level and
6 tuition—Reports—"Global challenge states"—Communication regarding
7 available tax credits—Tuition mitigation plans) and 2012 c 229 s 525,
8 2012 c 229 s 524, 2011 1st sp.s. c 50 s 928, 2011 1st sp.s. c 10 s 7,
9 2009 c 540 s 1, & 2007 c 151 s 1; and

10 (2) RCW 28B.15.101 (Authority to modify tuition rates—
11 Performance-based measures and goals—Institutional performance plans)
12 and 2011 1st sp.s. c 10 s 5."

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13 On page 1, line 2 of the title, after "education;" strike the
14 remainder of the title and insert "amending RCW 28B.15.031,
15 28B.15.067, and 28B.15.102; and repealing RCW 28B.15.068 and
16 28B.15.101."

EFFECT: Allows SBCTC and the baccalaureates to pilot or institute differential tuition models subject to approval in the operating budget. However, differential tuition models may not be implemented during the 2015-2017 biennium.

Removes the requirement to report disaggregated data for additional income brackets.

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