

# HOUSE BILL REPORT

## ESB 5824

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*As Reported By House Committee on:  
Higher Education  
Appropriations*

**Title:** An act relating to community college enrollments.

**Brief Description:** Changing provisions relating to the funding of community college summer courses.

**Sponsor(s):** Senators Saling, Stratton, Patterson and Bauer.

**Brief History:**

Reported by House Committee on:  
Higher Education, April 4, 1991, DP;  
Appropriations, April 8, 1991, DPA.

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**HOUSE COMMITTEE ON  
HIGHER EDUCATION**

**Majority Report:** *Do pass.* Signed by 13 members:  
Representatives Jacobsen, Chair; Ogden, Vice Chair; Wood,  
Ranking Minority Member; May, Assistant Ranking Minority  
Member; Basich; Dellwo; Fraser; Ludwig; Miller; Prince;  
Sheldon; Spanel; and Van Luven.

**Staff:** Marilee Scarbrough (786-7196).

**Background:** Currently, community colleges have statutory authority to offer educational services, for a special fee, to private or government entities. The fee charged is required to cover full instructional costs of services. The fee is retained by the college district and the increased enrollments are not counted in the authorized enrollment levels for the college. This statutory authority has been traditionally construed to apply to special courses offered through employers, business groups, or other organizations for the benefit of affiliated members.

Recently, the practice of contemporary contracting has become prevalent at community colleges. By using contemporary contracting a community college exceeds state funded full-time equivalent enrollment limits by contracting with individual students, charges only the statutory tuition and fees and retains those fees at the local college level.

Contemporary contracting results in a reduced level of funding, and results in contracting with individuals instead of affiliated members of a group. Issues have been raised about the legality of contemporary contracting as well as the effect of the practice on quality of education.

***Summary of Bill:***

Summer self support

Community college districts may operate self-supporting summer programs. If a community college district chooses to operate a self-supporting summer program, it must charge enough to cover the direct cost of summer school which is defined as instructor salaries and benefits, supplies, publications and records.

In the event a community college district chooses to operate a self-supporting summer program, it will continue to receive general fund state support for the: 1) vocational programs requiring students to enroll in a four-quarter sequence of courses that includes summer quarter for clinical or laboratory requirements; or 2) ungraded courses defined as vocational apprenticeships, adult basic education, aging and retirement, small business management, industrial first aid, and parent education.

Community college districts choosing to operate a self-supporting summer program are not required to follow the tuition schedule set by statute for summer session.

Excess enrollments

Community college districts may exceed state-funded full-time equivalent enrollment limits by 4 percent each fiscal year and charge those students a fee equal to the tuition and fees charged students enrolled in state-funded courses. The college will retain those fees.

By September 1, 1995, community colleges must phase out enrollments in excess of the 4 percent limitation. The phasing out must be in equal annual reductions.

If a community college fails to phase out the excess enrollments, then for each full-time equivalent in excess of the phase out limit, it shall return to the general fund the amount equal to the full average state appropriation. The State Board for Community College Education must ensure compliance with the limitations.

***Fiscal Note:*** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect June 15, 1991.

**Testimony For:** After enrollment limits were placed on community colleges the demand for admission was great. The community colleges devised a way to serve a need in community college districts. Large marginally funded increases, however, effect the quality of education. The community colleges need this legislation to avoid the rapid decrease in enrollments which will occur if the practice is declared illegal.

**Testimony Against:** None.

**Witnesses:** Senator Jerry Saling, Prime Sponsor (pro); Dave Habura, State Board for Community College Education (pro); and Gary Oertli, Edmonds Community College (pro).

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**HOUSE COMMITTEE ON  
APPROPRIATIONS**

**Majority Report:** *Do pass as amended.* Signed by 16 members: Representatives Locke, Chair; Spanel, Vice Chair; Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Appelwick; Belcher; Brekke; Dorn; Ferguson; Hine; Peery; Rust; H. Sommers; Valle; Wang; and Wineberry.

**Minority Report:** *Do not pass.* Signed by 11 members: Representatives Inslee, Vice Chair; Bowman; Braddock; Fuhrman; Holland; Lisk; May; McLean; Mielke; Nealey; and Vance.

**Staff:** Marilee Scarbrough (786-7196) and Sheri Story (786-7142).

**Summary of Recommendation of Committee on Appropriations Compared To Recommendation of Committee on Higher Education:** The amendment adopted by the Committee on Appropriations provides that: 1) Community college districts may allow enrollment levels to vary from plus 2 to minus 2 percent from the state-funded, full-time equivalent enrollment level, unless otherwise provided in the budget. 2) A community college with excess enrollments below 2 percent may increase their enrollments to 2 percent. 3) A community college district over the 2 percent variance must reduce enrollments, in equal reductions, by September 1, 1995. 4) Community college districts that enroll above or below the variance, must return to the general fund an amount equal to the full average state appropriation, for each full-time

equivalent outside of the variance unless otherwise provided in the budget. Subsection two of the Engrossed Senate Bill, which allowed excess enrollments of 4 percent, is deleted.

***Fiscal Note:*** Not requested.

***Effective Date:*** The bill contains an emergency clause and takes effect June 15, 1991.

***Testimony For:*** The community colleges need this bill. Enforcement of an attorney general's opinion which declares the practice of contemporary contracting illegal would be devastating to the community colleges. This legislation provides a gradual decrease in excess enrollments. The self-supporting summer session will allow the colleges to serve additional students.

***Testimony Against:*** None.

***Witnesses:*** Dave Habura, Deputy Executive Director, State Board for Community College Education.