

SENATE BILL REPORT

ESHB 2030

AS OF MARCH 29, 1991

Brief Description: Requiring information on and repealing various higher education tuition and fee waivers, reduced fees, and residency exemptions.

SPONSORS: House Committee on Higher Education (originally sponsored by Representatives Spanel, May, Ogden, Fraser, Locke and Paris).

HOUSE COMMITTEE ON EDUCATION

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON HIGHER EDUCATION

Staff: Scott Huntley (786-7421)

Hearing Dates: April 1, 1991

BACKGROUND:

The first statutory tuition and fee waiver programs were adopted in 1921. The programs permitted the University of Washington to waive tuition for university staff, public school teachers supervising student teachers, and military veterans.

Until 1970, generally, only one or two waiver programs were adopted each decade. When the decade began, 11 programs were in place. When it ended, 14 new programs had been added. In 1982, nine waiver programs were eliminated, and three programs were enacted. By the end of the 1990 legislative session, 17 additional programs had been created. Some of those programs reauthorized waivers that had been eliminated in 1982.

In 1990, the Higher Education Coordinating Board was directed to develop recommendations on statutory tuition and fee waiver programs. The board has recommended making waivers more visible, requiring existing and new programs to be periodically reviewed and reauthorized, and, using a set of common elements, evaluating proposed waivers prior to enactment. The board has also recommended limiting the revenue that institutions may waive to the current percentage of foregone revenue until an evaluation process has been completed. The board recommended that no new space available waivers be enacted until existing programs are evaluated. Finally, the board recommended charging a fee for space available waiver programs that is sufficient to cover actual administrative costs.

During the 1990-91 academic year, the foregone revenue from waiver programs is estimated to be about \$66,300,000.

SUMMARY:

In their biennial budget requests, the community college system and each of the four-year universities and college will include a special report on tuition waiver, reduced fee and residency exemption programs. The reports will be included in the Governor's biennial budget document.

By December 1, 1991, the Higher Education Coordinating Board will develop and recommend evaluation criteria for tuition waiver, reduced fee, and residency exemption programs. The criteria will be developed in cooperation with legislative policy and fiscal committees. It will include consideration of a financial needs test and a requirement for reauthorization. Some criteria for evaluating space available programs is described. The Legislature intends that new or reauthorized programs include a provision for evaluation using the criteria developed by the board.

Using the criteria, the board will review and evaluate existing programs by December 1, 1996. Space available waiver programs will be reviewed and evaluated by June 30, 1992. Subsequently, each program will be reviewed at least once every 10 years. The board will recommend the continuation, modification, or termination of each program.

Institutions granting waivers to institutional or classified state employees enrolling on a space available basis will charge those employees a registration fee that will fully cover institutional administrative costs.

Appropriation: none

Revenue: none

Fiscal Note: requested March 11, 1991