

HOUSE BILL REPORT

HB 1462

As Reported By House Committee On:

Higher Education
Appropriations

Title: An act relating to higher education tuition.

Brief Description: Setting nonresident undergraduate tuition at the University of Washington.

Sponsors: Representative Huff.

Brief History:

Committee Activity:

Higher Education: 2/11/97, 2/12/97, 2/20/97 [DPS];

Appropriations: 3/3/97, 3/4/97 [DPS(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: During the 1996-97 academic year, the tuition rate for nonresident undergraduate students enrolled at the University of Washington and Washington State University are \$9,491. This rate represents approximately 137 percent of the cost of educating these students. In *An Overview of Tuition in Washington*, the Higher Education Coordinating Board reported that during the 1995-96 academic year, tuition rates for nonresident undergraduates attending the University of Washington's peer institutions were an average of 16.2 percent higher than the tuition rate charged by the University of Washington. The average tuition rates charged to nonresident undergraduate students at Washington State University's peers were an average of 4.6 percent higher than the rates at Washington State University during the same academic year.

The University of Washington has requested a tuition increase of 8.3 percent for nonresident undergraduate students for each of the next two academic years.

Summary of Substitute Bill: At the University of Washington, tuition for nonresident undergraduate students and other nonresident students who are not enrolled in graduate or first professional programs will be \$10,278 for the 1997-98 academic year and \$11,130 for the 1998-99 academic year.

Substitute Bill Compared to Original Bill: Technical corrections were adopted to ensure that rates for other student categories were not affected by the rates adopted for nonresident students.

Appropriation: None.

Fiscal Note: Requested on January 29, 1997.

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

Testimony For: The University of Washington offers students a world-class education. Many nonresident students who apply are also considering enrollment in prestigious and expensive independent colleges. The tuition rates proposed in this legislation are close to the average nonresident rates at the University of Washington's peers. The rates 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.

Testimony Against: Nonresident students provide a perspective and diversity that enriches the education of all students. Tuition rates for the University of Washington's nonresident undergraduates have climbed steeply in recent years. The substantial tuition increase proposed in this legislation may cause some of the nonresident students currently enrolled to drop out of school. In addition, this method of setting tuition is not predictable or stable. Finally, tuition rates at the University of Washington and Washington State University should not be decoupled.

Testified: Representative Tom Huff, prime sponsor (pro); John Linder, President of Associated Students, University of Washington (con); Sherry Burkey, University of Washington (pro); Judy Nicastro, student, University of Washington (con); Sumeer Singla, Washington Student Lobby, (con); Ronald Dear, faculty member, University of Washington (pro); and Richard McCormick, President, University of Washington (pro).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Higher Education be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; H. Sommers, Ranking Minority Member;

Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Keiser; Kenney; Kessler; Linville; Lisk; Mastin; Parlette; Poulsen; Regala; D. Schmidt; Sehlín; Sheahan; Talcott and Tokuda.

Staff: Mary Alice Grobins (786-7118).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Higher Education: No new changes were recommended.

Appropriation: None.

Fiscal Note: Requested on January 29, 1997.

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

Testimony For: The University of Washington is trying to set its nonresident undergraduate tuition at the average of its peers. The additional \$4 million tuition revenue will be used to increase excellence. The University of Washington has not experienced a decline in enrollment due to prior increases to nonresident tuition.

Testimony Against: This bill will force students to choose where to attend based on which school they can afford because it will result in different tuition rates for the University of Washington and Washington State University (WSU). It will create the impression that one institution is superior to the other and may cause WSU to raise its tuition. The institution with the lower tuition rate will have less funding per student or will need to raise tuition. This bill is a significant step because it unlinks research institutions' tuition.

Testified: Sumeer Singla, Washington Student Lobby (con); Larry Ganders, Washington State University (con); and Sherry Burke, University of Washington (pro).