

SENATE BILL REPORT

2SHB 2430

As Reported By Senate Committee On:
Higher Education, February 24, 1998

Title: An act relating to the advanced college tuition payment program.

Brief Description: Changing provisions relating to the advanced college tuition payment program.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Huff, Carlson, Kenney, Radcliff and McDonald; by request of Committee on Advanced College Tuition Payment and Higher Education Coordinating Board).

Brief History:

Committee Activity: Higher Education: 2/23/98, 2/24/98 [DP].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass.

Signed by Senators Wood, Chair; Winsley, Vice Chair; Bauer, Kohl, Patterson, Prince, B. Sheldon and West.

Staff: Jean Six (786-7423)

Background: In 1997, the Legislature created the Washington Advanced College Tuition Payment Program allowing parents and other interested parties to purchase tuition units redeemable at a future date for an equal number of tuition units regardless of any intervening increase in tuition.

The program is administered by the Higher Education Coordinating Board (HECB) and governed by a committee whose members are the Executive Director of the HECB, the Director of the Office of Financial Management, and the State Treasurer.

The Advance College Tuition Payment Program account exists in the Office of the State Treasurer. The 1997 Legislature appropriated \$350,000 for operating expenses for the biennium.

Summary of Bill: Prior to the sale of tuition units, the Committee on Advanced Tuition Payment requires the resolution of several administrative issues: (1) financial and commercial information supplied in relation to the purchase or sale of tuition units is exempt from public inspection and copying; (2) the Committee on Advanced Tuition Payment may maintain offices and employ personnel; and (3) committee members are immune from liability while performing the duties of their office.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: Funding is necessary to begin selling units by July. This helps middle class families. We are ready to go as soon as we have the appropriation. There will be a 1-800 number to call. A tele-servicing group will handle the thousands of calls. This will be a very popular program. We will provide you with a video tape and with documents describing the relationship of prepaid and the new tax laws.

All operational information will be available always. But, we need to protect people's Social Security numbers, bank account numbers, and payroll account numbers.

The Treasurer's Office is happy to be involved.

There are concerns about what information is withheld. Be careful with government intrusion. Participants should have access to program information.

Testimony Against: None.

Testified: PRO: Representative Don Carlson; Marc Gaspard, Exec. Dir. HECB; Susan Patrick, HECB; Steven Smith, HECB; Donna Lawrence-Kennedy, Treasurer's Office; Roland Thompson, Allied Daily Newspapers (concerns).