

FINAL BILL REPORT

E2SSB 5927

C 403 L 97

Synopsis as Enacted

Brief Description: Changing higher education financing.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Wood, Bauer, Winsley, Kohl, Sheldon, Hale, Prince, Patterson and West).

Senate Committee on Higher Education

Senate Committee on Ways & Means

House Committee on Higher Education

House Committee on Appropriations

Background: Until 1995, the Legislature established in statute that tuition would be a percentage of the instructional costs at public colleges and universities. In 1995, the Legislature removed the direct link to cost of instruction and set forth dollar amounts for tuition at the public higher education institutions. A specific amount is set for residents and nonresidents enrolled as undergraduates, graduates or professional students. The 1996 Legislature, by setting forth an amount in statute, again increased nonresident undergraduate tuition at the two research universities. The Legislature intended that setting forth of dollar amounts would be a "transition measure until final action is taken in 1997."

With the increase in tuition as a percentage of cost and a greater reliance on tuition revenue, Washington is similar to other states. Results from a national survey by the American Association of State Colleges and Universities noted that: "The substantial increases in tuition and fee charges for ... the past decade, indicate a continuing shift in the burden of payment for public education to students and parents." Extra tuition dollars are replacing tax support.

Predicted population increases in the state of Washington require additional enrollments in the state's higher education institutions to meet the demand of a growing population of college-age residents, to meet the training and re-training needs of the workforce, as well as to provide opportunities for life-long learning. While K-12 enrollments increase to meet the demand of population increases, there is nothing in statute that provides a caseload increase for enrollments at the postsecondary level.

According to research, American higher education has been sheltered for years from the critical scrutiny and demands for accountability that all institutions endure and respond to. Until recently, colleges and universities focused their efforts on obtaining increases in resources as a way to improve quality, not on finding better ways to use the resources already available to them. Now colleges and universities face new circumstances, including a much more critical attitude on the part of those who fund undergraduate education--parents and policymakers as well as the press and the general public. Institutions are being held accountable for the productive use of the resources they have.

Summary: Tuition is set forth in statute for a two-year period. During the 1997-99 biennium, tuition increases 4 percent per academic year for most categories of students. Exceptions are allowed for increases in three student categories at the University of Washington: 8.3 percent for nonresident undergraduates, 7.3 percent for resident law students, and 6.7 percent for nonresident law students. The University of Washington must use 10 percent of the revenue from the difference between a 4 percent increase and the actual increase to help needy resident undergraduate students and needy resident law students. Tuition rates are frozen after the 1997-99 biennium unless the Legislature adopts either different rates or a policy for establishing tuition rates. New tuition rates may be included in the operating budget.

Votes on Final Passage:

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| Senate | 42 | 7 | |
| House | 91 | 6 | (House amended) |
| Senate | | | (Senate refused to concur) |

Conference Committee

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| House | 78 | 12 |
| Senate | 40 | 6 |

Effective: July 27, 1997