ENGROSSED SECOND SUBSTITUTE SENATE BILL 5927

State of Washington 55th Legislature 1997 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Wood, Bauer, Winsley, Kohl, Sheldon, Hale, Prince, Patterson and West)
Read first time 03/10/97.

- AN ACT Relating to higher education; amending RCW 28B.15.067,
- 2 28B.15.069, 28B.10.776, 28B.10.778, and 28B.10.784; adding a new
- 3 section to chapter 28B.15 RCW; creating a new section; repealing RCW
- 4 28B.10.780, 28B.10.782, 28B.10.786, and 28B.80.500; and declaring an
- 5 emergency.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 TUITION
- 8 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28B.15 RCW
- 9 to read as follows:
- 10 The legislature finds that, as a partner in financing public higher
- 11 education with students and parents who pay tuition and fees, it is
- 12 important to provide predictability in tuition rates as well as
- 13 affordability. To accomplish predictability and affordability in
- 14 tuition rates, the legislature intends that annual changes in tuition
- 15 rates be based on the average per capita income in the state, as
- 16 predicted by the office of economic and revenue forecast.

p. 1 E2SSB 5927

- 1 **Sec. 2.** RCW 28B.15.067 and 1996 c 212 s 1 are each amended to read 2 as follows:
- 3 (1) Tuition fees shall be established <u>and adjusted annually</u> under 4 the provisions of this chapter <u>beginning with the 1997-98 academic</u> 5 year. Such fees shall be:
 - (a) Identical for students enrolled at any community college;
- 7 <u>(b) Identical for undergraduate resident students at research</u> 8 universities; and
- 9 <u>(c) Identical for undergraduate resident students at regional</u>
 10 <u>universities and The Evergreen State College</u>.
- 11 (2) <u>Tuition fees for resident undergraduate students shall not</u>
 12 <u>exceed the percentage of the undergraduate cost of instruction</u>
 13 <u>specified in this subsection (2), updated to the current year, from the</u>
 14 <u>cost study performed by the higher education coordinating board:</u>
- 15 <u>(a) For students at research universities, no more than forty-six</u>
 16 percent of the cost of instruction per student at research
 17 universities;
- (b) For students at regional universities and The Evergreen State

 College, no more than thirty-five percent of the cost of instruction

 per student at regional universities and The Evergreen State College;

 and
- 22 <u>(c) For students at community colleges, no more than thirty-two</u> 23 percent of the cost of instruction per student at community colleges.
- 24 (3) Academic year tuition for full-time students at the state's 25 institutions of higher education for the 1995-96 academic year, other 26 than the summer term, shall be as provided in this subsection.
- 27 (a) At the University of Washington and Washington State 28 University:
- (i) For resident undergraduate students and other resident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, two thousand seven hundred sixty-four dollars;
- 33 (ii) For nonresident undergraduate students and other nonresident 34 students not in graduate study programs or enrolled in programs leading 35 to the degrees of doctor of medicine, doctor of dental surgery, and 36 doctor of veterinary medicine, eight thousand two hundred sixty-eight 37 dollars;
- 38 (iii) For resident graduate and law students not enrolled in 39 programs leading to the degrees of doctor of medicine, doctor of dental

6

- 1 surgery, and doctor of veterinary medicine, four thousand four hundred
 2 ninety dollars;
- 3 (iv) For nonresident graduate and law students not enrolled in 4 programs leading to the degrees of doctor of medicine, doctor of dental 5 surgery, and doctor of veterinary medicine, eleven thousand six hundred 6 thirty-four dollars;
- 7 (v) For resident students enrolled in programs leading to the 8 degrees of doctor of medicine, doctor of dental surgery, and doctor of 9 veterinary medicine, seven thousand four hundred ninety-seven dollars; 10 and
- (vi) For nonresident students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, nineteen thousand four hundred thirty-one dollars.
 - (b) At the regional universities and The Evergreen State College:
- 15 (i) For resident undergraduate and all other resident students not 16 in graduate study programs, two thousand forty-five dollars;
- 17 (ii) For nonresident undergraduate and all other nonresident 18 students not in graduate study programs, seven thousand nine hundred 19 ninety-two dollars;
- 20 (iii) For resident graduate students, three thousand four hundred 21 forty-three dollars; and
- (iv) For nonresident graduate students, eleven thousand seventy-one dollars.
- 24 (c) At the community colleges:

14

- 25 (i) For resident students, one thousand two hundred twelve dollars; 26 and
- 27 (ii) For nonresident students, five thousand one hundred sixty-two 28 dollars and fifty cents.
- $((\frac{3}{3}))$ $(\frac{4}{3})$ Academic year tuition for full-time students at the state's institutions of higher education beginning with the 1996-97 academic year, other than the summer term, shall be as provided in this subsection.
- 33 (a) At the University of Washington and Washington State 34 University:
- (i) For resident undergraduate students and other resident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, two thousand eight hundred seventy-five dollars;

p. 3 E2SSB 5927

- 1 (ii) For nonresident undergraduate students and other nonresident 2 students not in graduate study programs or enrolled in programs leading 3 to the degrees of doctor of medicine, doctor of dental surgery, and 4 doctor of veterinary medicine, nine thousand four hundred ninety-one 5 dollars;
- 6 (iii) For resident graduate and law students not enrolled in 7 programs leading to the degrees of doctor of medicine, doctor of dental 8 surgery, and doctor of veterinary medicine, four thousand six hundred 9 sixty-nine dollars;
- (iv) For nonresident graduate and law students not enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, twelve thousand one hundred dollars;
- (v) For resident students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, seven thousand seven hundred ninety-seven dollars; and
- (vi) For nonresident students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, twenty thousand two hundred nine dollars.
- 21 (b) At the regional universities and The Evergreen State College:
- (i) For resident undergraduate and all other resident students not in graduate study programs, two thousand one hundred twenty-seven dollars;
- 25 (ii) For nonresident undergraduate and all other nonresident 26 students not in graduate study programs, eight thousand three hundred 27 twelve dollars;
- 28 (iii) For resident graduate students, three thousand five hundred 29 eighty-one dollars; and
- 30 (iv) For nonresident graduate students, eleven thousand five 31 hundred fourteen dollars.
- 32 (c) At the community colleges:
- 33 (i) For resident students, one thousand two hundred sixty-one 34 dollars; and
- (ii) For nonresident students, five thousand three hundred sixtynine dollars and fifty cents.
- ((\(\frac{4+}{4+}\))) (5) Subject to the limitations in subsection (2) of this section, for the 1997-98 academic year and thereafter, the tuition fee rates specified in subsection (4) of this section shall be adjusted to

- reflect the forecasted annual change in state personal per capita 1 income, four percent, or the percent limitations in subsection (2) of 2 this section, whichever is the lower amount, except for academic year 3 4 annual increases for students at the University of Washington in the following categories: Nonresident undergraduates, graduate students in 5 programs leading to degrees of juris doctor, and master of business 6 administration at the University of Washington only, which are in this 7 8 subsection (5). Annually by December 15th, the higher education 9 coordinating board shall calculate tuition fee rates for the following academic year and forecast the tuition fee rates for the next 10 succeeding academic year, based on the current tuition rates and the 11 12 forecasted annual percentage change in state personal per capita income during the fiscal year in which the academic year begins, as determined 13 14 by the economic and revenue forecast council under chapter 82.33 RCW.
- 17 years 1997-98 and 1998-99.

 18 (b) Resident graduate rates for students in programs leading to the

 19 degree of juris doctor shall increase seven and three-tenths percent

(a) Nonresident undergraduate rates at the University of Washington

shall increase eight and three-tenths percent per year for academic

15

16

20

28 29

30

31

(c) Nonresident graduate rates for students in programs leading to the degree of juris doctor shall increase six and seven-tenths percent per year through academic year 2002-03.

per year through academic year 2005-06.

- 24 (d) Resident graduate rates for students in programs leading to the 25 degree of master of business administration at the University of 26 Washington shall increase seven and four-tenths percent per year 27 through academic year 2002-03.
 - (e) Nonresident graduate rates for students in programs leading to the degree of master of business administration at the University of Washington shall increase four and nine-tenths percent per year through academic year 2000-01.
- 32 (6) (a) At least ten percent of the revenue received from the 33 difference in rates for tuition fees for students enrolled in programs 34 leading to the degree of juris doctor and students enrolled in graduate 35 study programs shall be used to assist needy resident students enrolled 36 in programs leading to the degree of juris doctor.
- 37 <u>(b) At least ten percent of the revenue received from the</u>
 38 <u>difference in rates for tuition fees for students enrolled in programs</u>
 39 leading to a masters of business administration at the University of

p. 5 E2SSB 5927

- 1 Washington and graduate study programs shall be used to assist needy
- 2 resident students enrolled in programs leading to the degree of masters
- 3 of business administration at the University of Washington.
- 4 (c) This requirement is in addition to the deposit requirements of
- 5 the institutional financial aid fund under RCW 28B.15.820.
- 6 (7) Tuition fee rates established under subsection (5) of this
- 7 section may be adjusted in the state omnibus appropriations act based
- 8 on requests from the boards of regents at the University of Washington
- 9 or Washington State University, the boards of trustees at the regional
- 10 universities or The Evergreen State College, or the state board for
- 11 community and technical colleges. In considering rate adjustments, the
- 12 legislature shall adopt or deny each institution's package of tuition
- 13 rate adjustments in its entirety. Any adjustments adopted under this
- 14 <u>subsection are subject to the limitations established by subsection (2)</u>
- 15 of this section.
- 16 (8) The tuition fees established under this chapter shall not apply
- 17 to high school students enrolling in ((community colleges))
- 18 participating institutions of higher education under RCW 28A.600.300
- 19 through 28A.600.395.
- 20 **Sec. 3.** RCW 28B.15.069 and 1995 1st sp.s. c 9 s 5 are each amended
- 21 to read as follows:
- 22 (1) As used in this section, each of the following subsections is
- 23 a separate tuition category:
- 24 (a) Resident undergraduate students and all other resident students
- 25 not in first professional, graduate, or law programs;
- 26 (b) Nonresident undergraduate students and all other nonresident
- 27 students not in graduate or law programs;
- 28 (c) Resident graduate and law students;
- 29 (d) Nonresident graduate and law students;
- 30 (e) Resident first professional students; and
- 31 (f) Nonresident students in first professional programs.
- 32 (2) Unless the context clearly requires otherwise, as used in this
- 33 section "first professional programs" means programs leading to one of
- 34 the following degrees: Doctor of medicine, doctor of dental surgery,
- 35 or doctor of veterinary medicine.
- 36 (3) ((For the 1995-96 and 1996-97 academic years,)) The building
- 37 fee for each academic year shall be a percentage of total tuition fees.
- 38 This percentage shall be calculated by the higher education

coordinating board and be based on the actual percentage the building 1 fee is of total tuition for each tuition category in the 1994-95 academic year, rounded up to the nearest half percent.

2

3

25

28

29

30

31 32

33

34 35

36

- 4 (4) The governing boards of each institution of higher education, except for the technical colleges, shall charge to and collect from 5 each student a services and activities fee. A governing board may 6 7 increase the existing fee annually, consistent with budgeting procedures set forth in RCW 28B.15.045, by a percentage not to exceed 8 9 the annual percentage increase in student tuition fees for the applicable tuition category: PROVIDED, That such percentage increase 10 shall not apply to that portion of the services and activities fee 11 previously committed to the repayment of bonded debt. The services and 12 activities fee committee provided for in RCW 28B.15.045 may initiate a 13 request to the governing board for a fee increase. 14
- 15 (5) Tuition and services and activities fees consistent with 16 subsection (4) of this section shall be set by the state board for 17 community and technical colleges for community college summer school students unless the community college charges fees in accordance with 18 19 RCW 28B.15.515.
- 20 (6) Subject to the limitations of RCW 28B.15.910, each governing board of a community college may charge such fees for ungraded courses, 21 noncredit courses, community services courses, and self-supporting 22 23 courses as it, in its discretion, may determine, consistent with the 24 rules of the state board for community and technical colleges.

ENROLLMENT AND ACCOUNTABILITY

26 Sec. 4. RCW 28B.10.776 and 1993 sp.s. c 15 s 2 are each amended to 27 read as follows:

It is the policy of the state of Washington that ((the essential requirements level budget calculation)) state appropriations for institutions of higher education include ((enrollment levels)) state <u>funding</u> necessary to ((maintain, by educational sector, the participation rate funded in the 1993 fiscal year. The participation rate shall be based on the state's estimated population ages seventeen and above by appropriate age groups)) support enrollment levels in the state's institutions of higher education which, at a minimum, keep pace with population change.

> p. 7 E2SSB 5927

Sec. 5. RCW 28B.10.778 and 1993 sp.s. c 15 s 3 are each amended to 2 read as follows:

Consistent with RCW 28B.10.776, it is the policy of the state of Washington that((, for new enrollments provided under RCW 28B.10.776, the essential requirements level budget calculation for those enrollments shall, each biennium)) the state appropriations act shall, at a minimum, include a funding level ((per full time equivalent student that is equal to the rate assumed in the omnibus appropriations act for the last fiscal year of the previous biennium for the instructional, primary support, and library programs, plus an inflation factor. The inflation factor should be equivalent to the inflation factor used to calculate basic education in the common school system budget request submitted by the governor)) for the state's institutions of higher education, in the manner provided in this section.

- (1) By November 15th of each year, the office of financial management shall certify to the higher education coordinating board, the state board for community and technical colleges, and the appropriate fiscal and higher education committees of the legislature the student enrollments for the current academic year at the state's institutions of higher education and the official enrollment projection for each of the two succeeding academic years. The enrollment projections shall be based on the most recently available projections of state population and higher education participation rates. Institutions of higher education shall provide enrollment information necessary to develop the enrollment projections according to a timetable required by the office of financial management.
- (2) By December 10th of each year, the higher education coordinating board shall determine for the institutions of higher education the cost of any incremental increase in enrollment levels for the next two fiscal years as forecast by the office of financial management under subsection (1) of this section. The cost determination shall be based on the undergraduate and graduate educational costs determined by the board under RCW 28B.15.070. The costs for the enrollment increases shall be certified by the board to the office of financial management and the appropriate higher education and fiscal committees of the legislature.
- (3) The legislative appropriations to the institutions of higher education shall include the costs certified by the higher education coordinating board as necessary to fund the enrollment levels

- forecasted under subsection (1) of this section. For each fiscal year 1 after July 1, 1998, ten percent of the incremental amount appropriated 2 for any increased enrollment at each institution of higher education 3 4 shall not be expended by the institution of higher education until the higher education coordinating board has certified that the institution 5 has achieved the measures of accountability and efficiency for the 6 7 previous year as established by the board under subsection (4) of this 8 section.
- 9 (4) To ensure that the state's commitment of financial resources to higher education will result in effective and efficient expenditures, 10 the higher education coordinating board shall provide measurable 11 12 standards of higher education accountability and efficiency by July 1, 1997. The standards shall be consistent with the board's comprehensive 13 14 master plan under RCW 28B.80.330 and shall be adopted in consultation with the institutions of higher education, the state board for 15 community and technical colleges, the appropriate higher education and 16 fiscal committees of the legislature, representative student 17 18 organizations, and other interested parties. The standards shall 19 include measures of student educational progression, faculty productivity, administrative efficiency, student outcomes, and other 20 educational goals. Upon request, the employment security department 21 and other state agencies shall provide the necessary information to the 22 23 board to fulfill the requirements of this subsection. After adoption 24 by the higher education coordinating board, the standards may be periodically revised and shall constitute state higher education policy 25 26 unless legislation is enacted to alter the standards adopted by the board. 27
- 28 **Sec. 6.** RCW 28B.10.784 and 1993 sp.s. c 15 s 6 are each amended to 29 read as follows:

30

31

3233

3435

36

37

38

The participation rate used to calculate enrollment levels under RCW 28B.10.776 and ((28B.10.782)) 28B.10.778 shall be based on fall enrollment reported in the higher education enrollment report as maintained by the office of financial management, fall enrollment as reported in the management information system of the state board for community and technical colleges, and the corresponding fall population forecast by the office of financial management. Formal estimates of the state participation rates and enrollment levels necessary to fulfill the requirements of RCW 28B.10.776 and ((28B.10.782))

p. 9 E2SSB 5927

- 1 28B.10.778 shall be determined by the office of financial management as
- 2 part of its responsibility to develop and maintain student enrollment
- 3 forecasts for colleges and universities under RCW 43.62.050. Formal
- 4 estimates of the state participation rates and enrollment levels
- 5 required by this section shall be based on procedures and standards
- 6 established by a technical work group consisting of staff from the
- 7 higher education coordinating board, the public four-year institutions
- 8 of higher education, the state board for community and technical
- 9 colleges, the fiscal and higher education committees of the house of
- 10 representatives and the senate, and the office of financial management.
- 11 The technical work group shall also advise and cooperate with the
- 12 higher education coordinating board in the update of instructional
- 13 costs as required in RCW 28B.15.067. Formal estimates of the state
- 14 participation rates and enrollment levels required by this section
- 15 shall be submitted to the fiscal committees of the house of
- 16 representatives and senate on or before November 15th of each ((even-
- 17 numbered)) year. ((The higher education coordinating board shall
- 18 periodically review the enrollment goals set forth in RCW 28B.10.776
- 19 and 28B.10.782 and submit recommendations concerning modification of
- 20 these goals to the governor and to the higher education committees of
- 21 the house of representatives and the senate.))
- 22 The authority of the office of financial management to forecast
- 23 student enrollments in colleges and universities shall be transferred
- 24 to the caseload forecast council if such a council is established by
- 25 <u>law.</u>
- NEW SECTION. Sec. 7. The following acts or parts of acts are each
- 27 repealed:
- 28 (1) RCW 28B.10.780 and 1993 sp.s. c 15 s 4;
- 29 (2) RCW 28B.10.782 and 1993 sp.s. c 15 s 5;
- 30 (3) RCW 28B.10.786 and 1993 sp.s. c 15 s 7; and
- 31 (4) RCW 28B.80.500 and 1989 1st ex.s. c 7 s 2.

32 MISCELLANEOUS

- 33 NEW SECTION. Sec. 8. PART HEADINGS NOT LAW. Part headings used
- 34 in this act are not any part of the law.

NEW SECTION. Sec. 9. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

--- END ---

p. 11 E2SSB 5927