

HOUSE BILL REPORT

HB 1015

As Reported By House Committee On:

Higher Education
Appropriations

Title: An act relating to the western interstate commission for higher education western undergraduate exchange program.

Brief Description: Extending the tuition waiver for students in the western interstate commission for higher education undergraduate exchange program.

Sponsors: Representatives Carlson, Radcliff and Sheahan.

Brief History:

Committee Activity:

Higher Education: 1/20/99, 1/27/99 [DPS];
Appropriations: 2/16/99, 2/22/99 [DPS(HE)].

Brief Summary of Substitute Bill

- Authorizes the governing boards of Washington State University, Eastern Washington University and Central Washington University to lower the tuition charged to nonresident students participating in the Western Interstate Commission for Higher Education, Western Undergraduate Exchange program.
- Sets limits on the total amount of tuition revenue each institution may waive for students participating in the exchange program.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Carlson, Republican Co-Chair; Kenney, Democratic Co-Chair; Lantz, Democratic Vice Chair; Radcliff, Republican Vice Chair; Dunn; Edmonds; Esser and Gombosky.

Staff: Sherie Story (786-7120).

Background:

The Western Undergraduate Exchange (WUE) program is a program through which students may enroll in designated institutions in other participating states outside their home state. They pay 150 percent of the receiving school's resident tuition, much less than the standard nonresident tuition. For example, at Eastern Washington University (EWU) the annual 1998-99 nonresident tuition rate for undergraduate students is \$9,322, while 150 percent of the resident rate is \$3,944. In 1997-98, approximately 8,300 students in 14 states participated in the WUE program.

In fall 1998, Washington became a participating state on a limited basis when the 1998 Legislature authorized EWU to be a receiving institution in the WUE program (section 606(6) and section 904(w) of the supplemental budget act). The Legislature also increased the statutory limit on the percentage of operating fee revenue that EWU is allowed to waive from 11 percent to 14 percent. The increased waiver authority is sufficient to provide waivers for approximately 100 WUE participants at EWU. In fall 1998, the first quarter of WUE participation, EWU enrolled 129 students under the program. Legislative authorization provided in the budget act expires on June 30, 1999.

When the state of Washington became a WUE participant in fall 1998, other participating states extended eligibility to Washington residents going to their participating institutions. Data from the WICHE indicate that 189 Washington residents participated as WUE students in other states during fall 1998.

Summary of Substitute Bill:

The governing boards of Washington State University (WSU), EWU, and Central Washington University (CWU) are authorized to waive all or a portion of the difference between the nonresident tuition rate and 150 percent of the resident rate for students participating in the Western Interstate Commission for Higher Education, Western Undergraduate Exchange program. The amount of operating fee revenue that may be waived for students participating in WUE is limited to 1 percent at WSU, 3 percent at EWU and 3 percent at CWU.

Substitute Bill Compared to Original Bill: Central Washington University is added as an institution authorized to participate in the WUE program. Increased waiver authority is provided specifically for WUE participation rather than increased general waiver authority. Participation by other states is no longer limited to Idaho and Oregon.

Appropriation: None.

Fiscal Note: Requested on January 19, 1999.

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

Testimony For: (Original bill) The WUE program is the newest WICHE program. It is growing rapidly for three reasons: it brings enrollment into under-subscribed programs in institutions; it's flexible in that institutions can limit participation to particular programs; and it serves border states. Seventy-five percent of WUE participants apply to colleges in bordering states. WUE has also grown because it is one of the mechanisms for helping share resources among states and for planning for effective use of educational resources across the region.

The Higher Education Coordinating Board (HECB) supports WUE because it reinforces the board's goals of regional cooperation for the delivery of higher education.

The Governor is supportive of this bill, but would like to see the waiver cap increases made specific to WUE rather than general increases.

This program has been an important part of EWU's enrollment recovery. Eastern Washington University's nonresident tuition rate is 23 percent above the national average. WUE has mitigated the effect of this high nonresident rate and has enabled getting back approximately half of the nonresident students lost since 1994 after rate increases. It has also had a qualitative impact -- WUE students comprise 10 percent of the honors program at EWU.

Central Washington University supports HB 1015 and requests that the governing board of CWU be included in it and that CWU's waiver cap be increased from 8 percent to 11 percent.

Testimony Against: None.

Testified: (Original bill) Dewayne Matthews, WICHE; Bruce Botka, HECB; Carolyn Busch, Governor's Policy Office; George Durrie, EWU; and Martha Lindley, CWU.

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 32 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Benson; Boldt; Carlson; Clements; Cody; Crouse;

Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

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: Available.

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

Testimony For: (Substitute bill) The Western Undergraduate Exchange program has played a major part in the enrollment recovery at Eastern Washington University (EWU). It helped mitigate the loss of nonresident students, a significant factor contributing to under enrollment at EWU. The students in this program add to diversity on the campus and are members of the honors program.

Testimony Against: None.

Testified: Representative Don Carlson, prime sponsor; and George Durrie, Eastern Washington University.