

# SENATE BILL REPORT

## SB 5743

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As Reported By Senate Committee On:  
Higher Education, February 26, 1999

**Title:** An act relating to improving the community and technical colleges' contributions to economic development in the state of Washington.

**Brief Description:** Improving community and technical colleges' contributions to economic development.

**Sponsors:** Senators Kohl-Welles, Sheahan, Oke and Hale; by request of State Board for Community and Technical Colleges.

**Brief History:**

**Committee Activity:** Higher Education: 2/22/99, 2/26/99 [DPS].

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** That Substitute Senate Bill No. 5743 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Bauer, Finkbeiner, Jacobsen, McAuliffe, Sheahan and B. Sheldon.

**Staff:** Jean Six (786-7423)

**Background:** While the majority of part-time students pay tuition and fees proportionate to full-time students, a two-credit minimum charge is imposed on students enrolled for fewer than two credit hours. This surcharge has been in place for nearly 20 years. Increasingly, colleges are asked to offer short-term training by government through the WorkFirst Program and by business. WorkFirst emphasizes getting a job and it is often a one credit course that gets a client job ready. It is believed by some that the two-credit surcharge is a financial barrier.

The level of tuition and fees paid by an individual student is based on a number of criteria including classification as a resident or a nonresident student. To establish residency in Washington State for tuition paying purposes requires, among other things, the maintenance of a domicile in Washington for at least one year immediately prior to commencement of the term for which the student has enrolled. In the changing business environment that includes a more mobile work force as well as rapid advancements in technology and distance learning, the one-year residency requirement is being questioned by some people.

**Summary of Substitute Bill:** The two-credit surcharge is eliminated for students enrolled in courses for fewer than two credits.

A committee is appointed to examine residency requirements for out-of-state tuition at public institutions of higher education. The committee membership includes representatives from

the State Board for Community and Technical Colleges, the Office of Financial Management, the Higher Education Coordinating Board, and the four-year institutions of higher education; and one staff member each from the Senate and House of Representatives committees on higher education.

The study must include but is not limited to: (1) the impact of residency requirements on economic development in Washington, (2) the application of residency requirements to enrollment in distance education courses. A final report is submitted by December 1, 1999, to the Senate and House of Representatives committees on higher education.

**Substitute Bill Compared to Original Bill:** Legislative staff are not members of the committee to study residency issues.

**Appropriation:** None.

**Fiscal Note:** Requested on February 5, 1999.

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

**Testimony For:** We request the elimination of the two-credit minimum because: (1) it affects our ability to support wage progression, and (2) it is an issue of fairness. We expect an actual financial gain by a change in this policy. WorkFirst parents cannot afford this surcharge. Students perceive the surcharge as a penalty.

People move to this state primarily for reasons other than attending a community or technical college. The nonresident fees make it very difficult to work with local businesses to provide workforce training. We want to prepare people for entry level jobs in information technology. Companies look to the availability of training when they relocate. Current cost structure is prohibitive to the low-income student in particular.

Nonresident fees are significantly higher than resident fees. The one-year wait to establish residency is a financial barrier. Businesses would like to send new employees for specific training but are forced to wait to meet the one-year domicile requirement. We do not see any displacement issue. The new employees do attend later, following the one-year residency. The study would allow us to reach a solution that is appropriate for all institutions with regard to the residency issue.

**Testimony Against:** None.

**Testified:** Jan Yoshiwara, SBCTC; Holly Moore, UP for Workforce Development, Shoreline CC; George Smith, Director, Student Services; Edmonds CC.