H-2088.3			

SUBSTITUTE HOUSE BILL 1528

State of Washington 56th Legislature 1999 Regular Session

By House Committee on Higher Education (originally sponsored by Representatives Kenney, Carlson and Lantz; by request of Governor Locke)

Read first time 03/02/1999.

- 1 AN ACT Relating to tuition setting authority and the use of tuition
- 2 in higher education; amending RCW 28B.15.031, 28B.15.067, 28B.15.070,
- 3 and 28B.15.100; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** It is the intent of the legislature to
 - establish a permanent tuition policy for the state's public higher
- 7 education system. This policy should maintain affordable tuition
- 8 levels and predictable tuition rates so students and their families can
- 9 plan and pay for access to public higher education. To accomplish
- 10 predictability and affordability in tuition rates, the legislature
- 11 intends that changes in tuition rates be based on changes in
- 12 Washington's per capita income. The legislature further intends to
- 13 extend limited tuition setting authority to institutions of higher
- 14 education and the state board for community and technical colleges so
- 15 they can price their services to increase productivity and market
- 16 responsiveness.
- 17 Sec. 2. RCW 28B.15.031 and 1996 c 142 s 2 are each amended to read
- 18 as follows:

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The term "operating fees" as used in this chapter shall include the 1 2 fees, other than building fees, charged all students registering at the state's colleges and universities but shall not include fees for short 3 4 courses, self-supporting degree credit programs and courses, marine station work, experimental station work, correspondence or extension 5 courses, and individual instruction and student deposits or rentals, 6 disciplinary and library fines, which colleges and universities shall 7 have the right to impose, laboratory, gymnasium, health, technology and 8 9 student activity fees, or fees, charges, rentals, and other income 10 derived from any or all revenue producing lands, buildings and facilities of the colleges or universities heretofore or hereafter 11 acquired, constructed or installed, including but not limited to income 12 13 from rooms, dormitories, dining rooms, hospitals, infirmaries, housing or student activity buildings, vehicular parking facilities, land, or 14 15 the appurtenances thereon, or such other special fees as may be established by any college or university board of trustees or regents 16 17 from time to time. All moneys received as operating fees at any institution of higher education shall be deposited in a local account 18 19 containing only operating fees revenue and related interest: PROVIDED, 20 That a minimum of three and one-half percent of operating fees shall be retained by the institutions((, except the technical colleges,)) for 21 the purposes of RCW 28B.15.820. Local operating fee accounts shall not 22 23 be subject to appropriation by the legislature or allotment procedures 24 under chapter 43.88 RCW.

- 25 **Sec. 3.** RCW 28B.15.067 and 1997 c 403 s 1 are each amended to read 26 as follows:
- 27 (1) Tuition fees shall be established under the provisions of this 28 chapter.
- 29 (2) ((Academic year tuition for full-time students at the state's 30 institutions of higher education for the 1997-98 academic year, other 31 than the summer term, shall be as provided in this subsection.
- 32 (a) At the University of Washington and Washington State 33 University:
- (i) For resident undergraduate students and other resident students
 not in graduate, law, or first professional programs, two thousand nine
 hundred eighty eight dollars;
- 37 (ii)(A) For nonresident undergraduate students and other 38 nonresident students at the University of Washington not in graduate,

- 1 law, or first professional programs, ten thousand two hundred seventy2 eight dollars;
- 3 (B) For nonresident undergraduate students and other nonresident 4 students at Washington State University not in graduate or first 5 professional programs, nine thousand eight hundred seventy dollars;
- 6 (iii) For resident graduate students, four thousand eight hundred
 7 fifty-four dollars;
- 8 (iv) For nonresident graduate students, twelve thousand five 9 hundred eighty-eight dollars;
- 10 (v) For resident law students, five thousand ten dollars;
- 11 (vi) For nonresident law students, twelve thousand nine hundred 12 fifteen dollars;
- 13 (vii) For resident first professional students, eight thousand one 14 hundred twelve dollars; and
- 15 (viii) For nonresident first professional students, twenty-one 16 thousand twenty-four dollars.
- 17 (b) At the regional universities and The Evergreen State College:
- (i) For resident undergraduate and all other resident students not in graduate programs, two thousand two hundred eleven dollars;
- 20 (ii) For nonresident undergraduate and all other nonresident 21 students not in graduate programs, eight thousand six hundred forty-six 22 dollars;
- 23 (iii) For resident graduate students, three thousand seven hundred 24 twenty-six dollars; and
- 25 (iv) For nonresident graduate students, eleven thousand nine 26 hundred seventy-six dollars.
- 27 (c) At the community colleges:
- 28 (i) For resident students, one thousand three hundred eleven 29 dollars; and
- 30 (ii) For nonresident students, five thousand five hundred eighty-31 six dollars.
- (3) Academic year tuition for full-time students at the state's institutions of higher education beginning with the 1998-99 academic year, other than the summer term, shall be as provided in this subsection unless different rates are adopted in the omnibus
- 36 appropriations act.
- 37 (a) At the University of Washington and Washington State 38 University:

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- 1 (i) For resident undergraduate students and other resident students
- 2 not in graduate, law, or first professional programs, three thousand
- 3 one hundred eight dollars;
- 4 (ii)(A) For nonresident undergraduate students and other
- 5 nonresident students at the University of Washington not in graduate,
- 6 law, or first professional programs, eleven thousand one hundred thirty
- 7 dollars;
- 8 (B) For nonresident undergraduate students and other nonresident
- 9 students at Washington State University not in graduate or first
- 10 professional programs, ten thousand two hundred sixty-six dollars;
- 11 (iii) For resident graduate students, five thousand forty-six
- 12 dollars;
- 13 (iv) For nonresident graduate students, thirteen thousand ninety-
- 14 two dollars;
- 15 (v) For resident law students, five thousand three hundred seventy-
- 16 six dollars;
- 17 (vi) For nonresident law students, thirteen thousand seven hundred
- 18 eighty-two dollars;
- 19 (vii) For resident first professional students, eight thousand four
- 20 hundred thirty-six dollars; and
- 21 (viii) For nonresident first professional students, twenty-one
- 22 thousand eight hundred sixty-four dollars.
- 23 (b) At the regional universities and The Evergreen State College:
- 24 (i) For resident undergraduate and all other resident students not
- 25 in graduate programs, two thousand two hundred ninety-eight dollars;
- 26 (ii) For nonresident undergraduate and all other nonresident
- 27 students not in graduate programs, eight thousand nine hundred ninety-
- 28 one dollars;
- 29 (iii) For resident graduate students, three thousand eight hundred
- 30 seventy-six dollars; and
- 31 (iv) For nonresident graduate students, twelve thousand four
- 32 hundred fifty-six dollars.
- 33 (c) At the community colleges:
- 34 (i) For resident students, one thousand three hundred sixty-two
- 35 dollars; and
- 36 (ii) For nonresident students, five thousand eight hundred eight
- 37 dollars.
- 38 $((\frac{4}{1}))$ (3) For the $((\frac{1997-98 \text{ and}}{1}))$ 1998-99 academic year $(\frac{1}{1})$, the
- 39 University of Washington shall use at least ten percent of the revenue

- 1 received from the difference between a four percent increase in tuition
- 2 fees and the actual increase charged to law students to assist needy
- 3 low and middle-income resident law students. For the ((1997-98 and))
- 4 1998-99 academic year((s)), the University of Washington shall use at
- 5 least ten percent of the revenue received from the difference between
- 6 a four percent increase in tuition fees and the actual increase charged
- 7 to nonresident undergraduate students and all other nonresident
- 8 students not in graduate, law, or first professional programs to assist
- 9 needy low and middle-income resident undergraduate students and all
- 10 other resident students not enrolled in graduate, law, or first
- 11 professional programs. This requirement is in addition to the deposit
- 12 requirements of the institutional aid fund under RCW 28B.15.820.
- 13 (((5))) (4) Academic year tuition for full-time students at the
- 14 state's institutions of higher education for the 1999-2000 academic
- 15 year, other than the summer term, shall be as provided in this
- 16 <u>subsection unless different rates are adopted in the omnibus</u>
- 17 <u>appropriations act.</u>
- 18 (a) At the University of Washington and Washington State
- 19 University:
- 20 <u>(i) For resident undergraduate students and other resident students</u>
- 21 not in graduate, law, or first professional programs, three thousand
- 22 two hundred thirty-four dollars;
- 23 (ii)(A) For nonresident undergraduate students and other
- 24 nonresident students at the University of Washington not in graduate,
- 25 <u>law</u>, or first professional programs, eleven thousand five hundred
- 26 <u>seventy-four dollars;</u>
- 27 (B) For nonresident undergraduate students and other nonresident
- 28 <u>students at Washington State University not in graduate</u> or first
- 29 professional programs, ten thousand six hundred seventy-four dollars;
- 30 (iii) For resident graduate students, five thousand two hundred
- 31 <u>fifty dollars;</u>
- 32 (iv) For nonresident graduate students, thirteen thousand six
- 33 <u>hundred fourteen dollars;</u>
- 34 (v) For resident law students, five thousand five hundred ninety-
- 35 two dollars;
- 36 (vi) For nonresident law students, fourteen thousand three hundred
- 37 thirty-four dollars;
- 38 (vii) For resident first professional students, eight thousand
- 39 seven hundred seventy-two dollars; and

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- 1 <u>(viii) For nonresident first professional students, twenty-two</u> 2 thousand seven hundred forty dollars.
- 3 (b) At the regional universities and The Evergreen State College:
- 4 (i) For resident undergraduate and all other resident students not
- 5 <u>in graduate programs</u>, two thousand three hundred ninety-one dollars;
- 6 (ii) For nonresident undergraduate and all other nonresident
- 7 students not in graduate programs, nine thousand three hundred fifty-
- 8 one dollars;
- 9 (iii) For resident graduate students, four thousand thirty-two
- 10 dollars; and
- 11 (iv) For nonresident graduate students, twelve thousand nine
- 12 hundred fifty-four dollars.
- 13 (c) At the community colleges:
- 14 (i) For resident students, one thousand four hundred sixteen
- 15 dollars; and
- 16 (ii) For nonresident students, six thousand thirty-nine dollars.
- 17 (5) Academic year tuition for full-time students at the state's
- 18 institutions of higher education for the 2000-01 academic year, other
- 19 than the summer term, shall be as provided in this subsection unless
- 20 <u>different rates are adopted in the omnibus appropriations act.</u>
- 21 (a) At the University of Washington and Washington State
- 22 <u>University</u>:
- 23 (i) For resident undergraduate students and other resident students
- 24 not in graduate, law, or first professional programs, three thousand
- 25 three hundred thirty-six dollars;
- 26 (ii)(A) For nonresident undergraduate students and other
- 27 nonresident students at the University of Washington not in graduate,
- 28 law, or first professional programs, eleven thousand nine hundred
- 29 <u>forty-six dollars;</u>
- 30 (B) For nonresident undergraduate students and other nonresident
- 31 students at Washington State University not in graduate or first
- 32 professional programs, eleven thousand sixteen dollars;
- 33 (iii) For resident graduate students, five thousand four hundred
- 34 <u>eighteen dollars;</u>
- 35 (iv) For nonresident graduate students, fourteen thousand fifty-two
- 36 <u>dollars;</u>
- 37 (v) For resident law students, five thousand seven hundred seventy-
- 38 two dollars;

- 1 <u>(vi) For nonresident law students, fourteen thousand seven hundred</u> 2 ninety dollars;
- 3 (vii) For resident first professional students, nine thousand
 4 fifty-four dollars; and
- 5 <u>(viii) For nonresident first professional students, twenty-three</u> 6 thousand four hundred sixty-six dollars.
 - (b) At the regional universities and The Evergreen State College:
- 8 (i) For resident undergraduate and all other resident students not
- 9 <u>in graduate programs</u>, two thousand four hundred sixty-nine dollars;
- 10 (ii) For nonresident undergraduate and all other nonresident
- 11 students not in graduate programs, nine thousand six hundred fifty-one
- 12 dollars;

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- 13 <u>(iii)</u> For resident graduate students, four thousand one hundred
- 14 <u>sixty-one dollars; and</u>
- 15 (iv) For nonresident graduate students, thirteen thousand three
- 16 <u>hundred sixty-eight dollars.</u>
- 17 (c) At the community colleges:
- (i) For resident students, one thousand four hundred sixty-four
- 19 dollars; and
- 20 <u>(ii) For nonresident students, six thousand two hundred thirty-four</u>
- 21 dollars.
- 22 (6) For the 2001-02 academic year and each academic year
- 23 thereafter, unless different rates are adopted in the omnibus
- 24 appropriations act, the tuition fees rates specified in subsection (5)
- 25 of this section shall be adjusted to reflect the three-year average
- 26 change in Washington state per capita personal income. By December
- 27 15th of each even-numbered year, the higher education coordinating
- 28 board shall calculate tuition fees rates for each of the two years of
- 29 the succeeding biennium based on the respective three-year averages.
- 30 The three-year average shall include the two previous years and the
- 31 subject year, as estimated by the economic and revenue forecast council
- 32 under chapter 82.33 RCW.
- 33 (7)(a) For the 1999-2000 academic year and each academic year
- 34 thereafter, the governing boards of the state universities, regional
- 35 universities, and The Evergreen State College, and the state board for
- 36 community and technical colleges may increase the full-time tuition
- 37 fees rates established under this section by an amount not to exceed a
- 38 total percentage increase of six and three quarters percent per year.

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- (b) For the 1999-2000 academic year and each academic year thereafter, the governing boards of the state universities, regional universities, and The Evergreen State College, and the state board for community and technical colleges may decrease the full-time tuition fees rates established under this section by up to two percent per year.
- 7 (c) In making the tuition rate adjustments allowed under this 8 subsection (7), the governing boards of the state universities, 9 regional universities, and The Evergreen State College, and the state 10 board for community and technical colleges may vary tuition fees rates 11 by student category, program, time, or location.
- (d) The higher education coordinating board, with the assistance of 12 the institutions of higher education, shall evaluate the impact and the 13 14 effectiveness of the new tuition policies implemented in the 1999-01 academic year. The evaluation shall include, but not be limited to: 15 16 (i) Information on how the institutions used their authority to adjust the tuition rates established in this section, including what rates 17 were put into effect, the amount of revenue generated by increased 18 19 rates, and how the revenue was used; (ii) an analysis of the impact of tuition adjustments on student enrollment patterns including changes in 20 the proportion of resident students, changes in the proportion of 21 undergraduate students, and changes in the proportion of day-on-campus 22 students; and (iii) an analysis of the impact of tuition increases on 23 24 student debt burden. By November 1, 2000, the board shall report its findings to the governor and the legislature. 25
- 26 (8) The tuition fees established under this chapter shall not apply 27 to high school students enrolling in participating institutions of 28 higher education under RCW 28A.600.300 through 28A.600.395.
- 29 **Sec. 4.** RCW 28B.15.070 and 1995 1st sp.s. c 9 s 7 are each amended 30 to read as follows:
- (1) The higher education coordinating board, in consultation with the house of representatives and senate committees responsible for higher education, the respective fiscal committees of the house of representatives and senate, the office of financial management, and the state institutions of higher education, shall develop by December of every fourth year beginning in 1989, definitions, criteria, and procedures for determining the undergraduate and graduate educational

costs for the state universities, regional universities, and community 1 colleges.

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- (2) Every four years, the state institutions of higher education in 3 4 cooperation with the higher education coordinating board shall perform 5 an educational cost study pursuant to subsection (1) of this section. The study shall be conducted based on every fourth academic year 6 7 beginning with 1989-90. Institutions shall complete the studies within 8 one year of the end of the study year and report the results to the 9 higher education coordinating board for consolidation, review, and 10 distribution.
- (3) In order to conduct the study required by subsection (2) of 11 this section, the higher education coordinating board, in cooperation 12 13 with the institutions of higher education, shall develop a methodology that requires the collection of comparable educational cost data, which 14 15 utilizes a faculty activity analysis or similar instrument and which 16 includes methods to estimate the cost of instruction for students receiving instruction supported in part or in full by technology, 17 provided at a distance, or both supported in part or full by technology 18 19 and provided at a distance.
- Sec. 5. RCW 28B.15.100 and 1998 c 75 s 1 are each amended to read 20 21 as follows:
 - (1) The governing boards of the state universities, the regional universities, The Evergreen State College, and the community colleges shall charge to and collect from each of the students registering at the particular institution for any quarter or semester such tuition fees and services and activities fees, and other fees as such board shall in its discretion determine. The total of all fees shall be rounded to the nearest whole dollar amount((: PROVIDED, That such tuition fees for other than the summer term shall be in the amounts for the respective institutions as otherwise set forth in RCW 28B.15.067)).
 - (2) Part-time students shall be charged tuition and services and activities fees proportionate to full-time student rates established for residents and nonresidents: PROVIDED, That students registered at baccalaureate institutions for fewer than two credit hours shall be charged tuition and services and activities fees at the rate established for two credit hours: PROVIDED FURTHER, That, subject to the limitations of RCW 28B.15.910, residents of Idaho or Oregon who are enrolled in community college district number twenty for six or fewer

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- credits during any quarter or semester may be exempted from payment of all or a portion of the nonresident tuition fees differential upon a declaration by the higher education coordinating board that it finds Washington residents from the community college district are afforded substantially equivalent treatment by such other states.
- 6 (3) Full-time students registered for more than eighteen credit 7 hours shall be charged an additional operating fee for each credit hour 8 in excess of eighteen hours at the applicable established per credit hour tuition fee rate for part-time students: PROVIDED, That, subject 9 10 to the limitations of RCW 28B.15.910, the governing boards of the state universities and the community colleges may exempt all or a portion of 11 the additional charge, for students who are registered exclusively in 12 13 first professional programs in medicine, dental medicine, veterinary medicine, doctor of pharmacy, or law, or who are registered exclusively 14 15 in required courses in vocational preparatory programs.

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