

FINAL BILL REPORT

ESSB 5448

C 232 L 03
Synopsis as Enacted

Brief Description: Changing tuition provisions for institutions of higher education.

Sponsors: Senate Committee on Higher Education (originally sponsored by Senators Carlson, Kohl-Welles, Mulliken, Horn, Brown and Schmidt; by request of Governor Locke).

Senate Committee on Higher Education

House Committee on Higher Education

House Committee on Appropriations

Background: The Legislature has debated a number of issues in the quest for a new tuition policy since the practice of calculating tuition as a "percent of the educational costs" was discontinued in 1995. From 1995 to 1998, annual tuition rates were established directly in statute. From 1999-2002, the budget document has provided some local authority for institutional governing boards, within the overall limits in the operating budget, to establish tuition levels "up to" the maximum authorized by the Legislature. Governing boards were not required to adopt the same tuition increase for all categories of students but might differentiate among resident, nonresident, undergraduate, graduate, law or students in professional programs.

In the 2002 supplemental budget, the Legislature for the first time gave institutional governing boards unlimited authority to increase tuition for academic year 2002-03 for all categories of students other than resident undergraduate. The Legislature maintains the authority to establish in the operating budget, not in statute, the tuition levels for resident undergraduate students.

Institutional governing boards currently have statutory authority to establish fees for enrollment in summer school and other self-supporting degree programs or courses. However, under Initiative 601 fee increases may not exceed the fiscal growth factor (3.29 percent for fiscal year 2003) unless specifically authorized by the Legislature. Since 1999, the operating budget has authorized institutions to increase summer school fees above the fiscal growth factor.

Institutional governing boards also have the authority to establish services and activities fees for student activities and programs, but the annual increase in these fees cannot exceed the overall tuition increase for a particular category of student.

Summary: For six years, the governing boards of the four-year institutions of higher education and the State Board for Community and Technical Colleges are authorized to reduce or increase full-time tuition rates for all students other than resident undergraduates - including summer school students and students in other self-supporting degree programs. Increases may exceed the fiscal growth factor. Explicit language gives tuition setting authority to the Legislature for setting resident undergraduate student tuition fees for six

years. At the end of the six years, tuition authority returns to the Legislature and rates will be fixed at the 2008-09 levels until modified by law.

Annual increases in services and activities fees do not exceed the rate of increase in overall tuition for the resident undergraduate student category. For the 2003-04 academic year, the services and activities fees are based on the resident undergraduate rates from 2002-03.

For needy low- and middle-income resident law students, additional financial aid is provided from a portion of the revenue raised from the law school tuition rate increases beginning in academic year 2000-01 through 2008-09. For needy low- and middle-income resident graduate academic students, additional financial aid is provided from a portion of the revenue raised from graduate academic school tuition rate increases beginning in academic year 2003-04 through 2008-09.

Votes on Final Passage:

Senate	34	15
House	60	37

Effective: July 27, 2003