HOUSE BILL REPORT
SB 5609

As Reported by House Committee On:
Higher Education

Title: An act relating to increasing the operating fee waiver authority for Central Washington University.

Brief Description: Increasing the operating fee waiver authority for Central Washington University.

Sponsors: Senators Shin, Mulliken, Keiser, Carrell, Kohl-Welles and Benson.

Brief History:
Committee Activity:
Higher Education: 4/1/05 [DP].

Brief Summary of Bill

• Increases the percentage of tuition revenue Central Washington University may waive under the state-supported waiver category from 8 percent to 11 percent.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 12 members: Representatives Kenney, Chair; Sells, Vice Chair; Cox, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Buri, Dunn, Fromhold, Hasegawa, Jarrett, Ormsby, Priest and Roberts.

Staff: Barbara McLain (786-7383).

Background:

The Legislature grants higher education institutions authority to waive all or a portion of tuition for certain types of students and for various purposes. Current waiver authority can be divided into three broad categories: state-supported waivers; discretionary waivers; and space-available waivers.

When an institution grants a state-supported waiver, the state assumes that State General Fund dollars in the institution's base budget make up for lost tuition revenue. Institutions are limited, however, in the percentage of total tuition revenue they may waive in the state-supported category. These percentage caps were created in statute in 1992 based on the amount of tuition revenue each institution was waiving at that time. The caps for state-supported waivers are:

- 21 percent University of Washington;
- 20 percent Washington State University;
- 8 percent Central Washington University (Central);
- 11 percent Eastern Washington University;
- 10 percent Western Washington University;
- 6 percent The Evergreen State College; and
-   35 percent   Community and Technical College System.

More than 25 different state-supported waivers are authorized in statute. Within its overall cap, each institution decides how to apportion its total state-supported waiver authority amongst the various waivers permitted. Institutions are required to report state-supported waiver activity each biennium. For the 2004 fiscal year, $131 million was waived for 188,859 students in the state-supported waiver category.

Summary of Bill:

The percentage of gross tuition revenues Central is authorized to waive in the state-supported waiver category is increased from 8 percent to 11 percent.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect July 1, 2006.

Testimony For: Central draws large numbers of students from diverse populations, many of whom need tuition waivers to afford college. This bill would address a serious inequity. More than 10 years ago, a snapshot of waiver usage was taken and used as a standard. There is no reason for this to continue and yet it still exists. Increasing the waiver percentage would place Central on an equal playing field with the other regional universities. Waivers are a direct way to help students and help Central attract and assist a diverse group of applicants. Fundamentally, this bill is about fairness and equity. The funding needs to follow the policy, but even if the funding cannot be achieved immediately, it is still fundamentally unfair to treat Central differently from her sister institutions. Such an inequity should not be maintained in state law.

Testimony Against: None.

Persons Testifying: Senator Paull Shin, prime sponsor; Lucas Westcoat and Katie Underwood, Central Washington University students; Jimmy Berto, Associated Students of Central Washington University; Jay Reich, Central Washington University Trustee; Ann Anderson, Central Washington University; Daniel Cannasciato and Jim Huckabay, Central Washington University faculty; and Wendy Rader Konafalski, United Faculty of Washington State.

Persons Signed In To Testify But Not Testifying: None.