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## Higher Education Committee

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### HB 3107

**Brief Description:** Requiring an assessment of the funding formula used by the state board for community and technical colleges.

**Sponsors:** Representatives Kagi, Wallace, Anderson, Sullivan, Sells, Hunter and Ormsby.

Brief Summary of Bill
<ul style="list-style-type: none"><li>Requires the Joint Legislative Audit and Review Committee to conduct a study of the funding formula used by the State Board for Community and Technical Colleges to distribute state funding to community and technical colleges.</li></ul>



**Hearing Date:** 2/4/08

**Staff:** Andi Smith (786-7304).

**Background:**

The State Board for Community and Technical Colleges (SBCTC) is responsible for allocating higher education state funding to the state's 34 community and technical colleges. To do so, in 2001, the State Board began implementing a "base-plus" budgeting approach. In the "base plus" approach, each college retains the state funding base of the previous year and the SBCTC allocates new state funding throughout the community and technical college system. Community and technical college base budgets differed in 2001 and since then, new funding has been added to different base budgets which results in different total budgets.

The "base plus" allocation occurs in three broad phases: (1) the SBCTC allocates new state funding to community and technical colleges through a formula primarily driven by enrollment growth and salaries; (2) funding for specific programs or purposes is allocated using an application or competitive process; and (3) the SBCTC analyzes funding levels by college and when available, funds are provided for lower funded colleges.

**Summary of Bill:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Joint Legislative Audit and Review Committee (JLARC) assesses the current methodology and funding formula used by the SBCTC to distribute state funding to community and technical colleges. The assessment includes: (1) a review of the current and prior funding formulas and identification of pros and cons of each; (2) an analysis of state funding per budgeted full-time equivalent employee by college, college district, and the community and technical college system; (3) an analysis of differences in historical funding levels by college and college district over the past 10 years; and (4) an analysis of funding formulas for community and technical college systems in comparable states.

The JLARC analyzes the advantages and disadvantages of alternatives to the current funding formula and identifies criteria for comparing alternative formulas. The final report shall be submitted to the appropriate committees of the Legislature by December 1, 2008.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.