

# SENATE BILL REPORT

## SB 6262

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As Reported By Senate Committee On:  
Higher Education, January 21, 2008

**Title:** An act relating to a higher education tuition incentive program.

**Brief Description:** Creating an economic development and diversification tuition incentive program.

**Sponsors:** Senators Kilmer, Schoesler, Rockefeller, Shin and Rasmussen.

**Brief History:**

**Committee Activity:** Higher Education: 1/21/08 [DP].

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass.

Signed by Senators Shin, Chair; Kilmer, Vice Chair; Delvin, Ranking Minority Member; Berkey, Schoesler and Sheldon.

**Staff:** Aldo Melchiori (786-7439)

**Background:** Nonresident students at institutions of higher education pay substantially greater tuition fees than do resident students. Generally speaking, to qualify as a resident student, the student must establish domicile in Washington. "Resident students" include: (1) financially independent students who have had a domicile in the state of Washington for a period of one year immediately prior to the time of commencement of the first day of the semester or quarter and have established a bona fide domicile in Washington primarily for purposes other than educational; and (2) dependent students, if one or both of the students' parents or legal guardians have maintained a bona fide domicile in the state of Washington for at least one year immediately prior to commencement of the semester or quarter for which the student has registered. There are many other classes of students that are considered resident students using alternative criteria.

Nonresident students may establish domicile in the state of Washington by being physically present in Washington primarily for purposes other than educational and showing proof that they have no intention of moving to another state or to acquire a domicile at some other place outside of Washington. To aid the institution of higher education in deciding whether a student, parent, legally appointed guardian or the person having legal custody of a student is domiciled in the state primarily for purposes other than educational, a number of factors are considered, such as: (1) Registration or payment of Washington taxes or fees on a motor vehicle, mobile home, travel trailer, boat, or any other item of personal property owned or

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used by the person for which state registration or the payment of a state tax or fee is required; (2) Permanent full time employment in Washington; and (3) Registration to vote for state officials in Washington.

**Summary of Bill:** The economic development and diversification tuition incentive program is created. A nonresident student pays resident tuition rates after moving to Washington if: the student, student's spouse, or student's parent is employed by an employer certified by the Department of Community, Trade, and Economic Development (CTED); the student, student's spouse, or student's parent is relocated to Washington at the request of the employer; and the student signs a letter of intent to establish domicile in Washington.

Employers who want to participate in the program apply to CTED to be certified. Current employers in Washington and those relocating or expanding operations in Washington may qualify based upon the following criteria: (1) whether the business will have or has a high economic impact in the region of the state; (2) whether it will promote highly skilled, high wage jobs; and (3) whether it is a targeted industry or an ancillary or support industry for a targeted industry. CTED also considers the number of employees in the program and the anticipated capital investment in the business. The names of certified employers is sent to the Higher Education Coordinating Board.

**Appropriation:** None.

**Fiscal Note:** Requested on January 15, 2008.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** PRO: Employers are competing internationally for highly skilled employees. This inducement will help in their recruiting efforts. It will encourage economic development in Washington because businesses looking for places to locate will be attracted to this state as a result of this program.

**Persons Testifying:** PRO: Senator Kilmer, prime sponsor; Tom Luce, Executive Council for Tacoma.