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## Higher Education Committee

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### HB 2822

**Brief Description:** Modifying the budget recommendations developed by the higher education coordinating board to include recommendations on tuition and fees.

**Sponsors:** Representatives Wallace, Sells and Anderson.

#### Brief Summary of Bill

- Requires the State Board for Community and Technical Colleges (SBCTC) and the four-year institutions to include proposed tuition and fee rates for the next two-year period in their proposed operating budget outlines submitted to the Higher Education Coordinating Board (HECB).
- Mandates that the HECB's review, evaluation, and recommendations to the Office of Financial Management (OFM) and the Legislature be based on how the requests and proposed tuition and fee rates align with the performance agreements and per-student funding goals, as well as the HECB budget priorities, individual institutional missions, and the strategic master plan.

**Hearing Date:** 1/19/10

**Staff:** Cece Clynch (786-7195).

#### Background:

The Higher Education Coordinating Board (HECB) is composed of 10 members representing the public, one of whom is a student. The members are appointed by the governor, subject to Senate confirmation, and serve four-year terms, with the exception of the student member, whose term lasts one year.

The HECB's responsibilities include development of a statewide strategic master plan for higher education and development of recommendations on policy and the operating and capital budgets for consideration by the Governor and the Legislature. Recommendations from the HECB are to

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reflect not merely the sum of budget requests from multiple institutions but prioritized funding needs for the overall system of higher education.

Included in statute is a framework for review, evaluation, and submission of operating budget recommendations, as follows:

1. By December of each odd-numbered year, the HECB distributes guidelines to the State Board for Community and Technical Colleges (SBCTC) and the four-year institutions outlining the HECB's fiscal priorities.
2. By July 1 of each even-numbered year, the SBCTC and the four-year institutions provide the HECB with an outline of their proposed operating budgets, including all policy enhancements that will be requested, the dollar amount that will be requested, and the fund source being requested.
3. The HECB reviews and evaluates these outlines based upon how the requests align with the HECB budget priorities, missions of the individual institutions, and the strategic master plan.
4. By October 1 of each even-numbered year, the HECB submits recommendations on the proposed operating budget and priorities to the Office of Financial Management (OFM).
5. Supplemental budget requests and revisions are submitted to the OFM and the HECB simultaneously. The HECB submits its recommendations regarding the supplemental requests to the OFM by November 1 of odd-numbered years and to the Legislature by January 1 of even-numbered years.

**Summary of Bill:**

Additions are made to the statutory framework for review, evaluation, and submission of operating budget recommendations:

- The outlines of proposed operating budgets that the SBCTC and the four-year institutions submit to the HECB must also include proposed tuition and fee rates for the two-year period covered by the next operating budget.
- The HECB's review and evaluation must be based on how the requests and proposed tuition and fee rates align with the performance agreements and per-student funding goals, as well as the HECB budget priorities, individual institutional missions, and the strategic master plan.
- Institutional and SBCTC supplemental budget requests and revisions submitted to the HECB, and the HECB supplemental budget recommendations to the OFM and the Legislature, must include any proposed changes to tuition and fees.

**Appropriation:** None.

**Fiscal Note:** Requested on January 14, 2010.

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