

# SENATE BILL REPORT

## SB 5679

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As of November 29, 2011

**Title:** An act relating to per-student cost recovery revenue for institutions of higher education.

**Brief Description:** Providing for per-student cost recovery revenue at institutions of higher education.

**Sponsors:** Senator Kastama.

**Brief History:**

**Committee Activity:** Higher Education & Workforce Development: 2/18/11.

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### SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

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

**Background:** Prior to Fiscal Year (FY) 1999, the Legislature set tuition through statute. Since FY 1999 the Legislature has given institutions of higher education limited authority to set resident undergraduate tuition by permitting maximum percentage tuition increases annually. In academic years 2009-10 and 2010-11, the Legislature authorized institutions to increase resident undergraduate tuition a maximum of 14 percent at four-year institutions of higher education and 7 percent at community and technical colleges. In academic year 2011-12 until academic year 2016-17, resident undergraduate tuition and fees may increase no greater than 7 percent over the previous academic year in any institution of higher education.

**Summary of Bill:** Resident undergraduate tuition at community and technical colleges may increase a maximum of 7 percent per year. The time limitation for this provision is removed. Beginning in 2011-12, changes in full-time resident undergraduate tuition fees at community and technical colleges are provided in the omnibus appropriations act.

The restriction that academic year tuition for full-time students at institutions of higher education beginning 2015-16, other than summer term, must be as charged during 2014-15 unless modified by the Legislature is removed.

Beginning with the 2011-12 academic year, increases in full-time tuition fees for resident undergraduates is set by the state universities, regional universities, and The Evergreen State

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College, with reference to total per-student funding, which is state funding combined with tuition fees at each institution for the 2009-10 academic year. If total per-student funding at that institution is equal to or greater than that for the 2009-10 academic year, tuition fees may increase no greater than 2 percent over the previous academic year. If state funding falls below that provided in the operating budget for fiscal year 2009, tuition fees may increase so that total per-student funding at that institution is equal to that for the 2009-10 academic year plus a 2 percent annual increment.

**Appropriation:** None.

**Fiscal Note:** Requested on February 4, 2011.  
[OFM requested ten-year cost projection pursuant to I-960.]

**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: We should be concerned about linking our state's tuition with the tuition in the Global Challenge States. We need a more methodical and structured approach to setting tuition. This would make funding predictable. This would help protect students from rapid tuition increases.

OTHER: Tuition is the price, not the cost, of education. The bill would help in the short run, but locks in a low rate of growth in the long run.

**Persons Testifying:** PRO: Senator Kastama, prime sponsor; Ann Anderson, Central Washington University.

OTHER: Margaret Shepherd, University of Washington.