

# HOUSE BILL REPORT

## SHB 2336

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**As Passed House:**  
February 11, 2014

**Title:** An act relating to increasing transparency in higher education by requiring certain departmental budget detail to be available online.

**Brief Description:** Increasing transparency in higher education by requiring certain departmental budget detail to be available online.

**Sponsors:** House Committee on Higher Education (originally sponsored by Representatives Zeiger, Seaquist, Haler, Pollet, Manweller, Riccelli, Freeman, Fagan, Magendanz, Morrell, Orwall, Tharinger and Smith).

**Brief History:**

**Committee Activity:**

Higher Education: 1/24/14, 2/5/14 [DPS].

**Floor Activity:**

Passed House: 2/11/14, 95-3.

**Brief Summary of Substitute Bill**

- Requires the Education Data Center (EDC) to post on its data dashboard the department budgets of higher education institutions.
- Provides that the EDC is responsible for obtaining the budget and spending data from each institution and for developing the format used to display the budget information.

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives Seaquist, Chair; Pollet, Vice Chair; Haler, Ranking Minority Member; Zeiger, Assistant Ranking Minority Member; Hansen, Johnson, Magendanz, Muri, Scott, Sells, Smith, Tarleton, Walsh and Wylie.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Gregerson, Reykdal, Sawyer and Walkinshaw.

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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.*

**Staff:** Megan Wargacki (786-7194).

**Background:**

The Education Data Center (EDC), in the Office of Financial Management, conducts analysis of higher education programs and education issues, in general. The EDC maintains an online dashboard that displays information for each four-year institution, such as data on enrollment, progression, gradation, and other metrics.

In Washington, the higher education institutions are the state universities, the regional universities, the state colleges, the community colleges, and the technical colleges.

**Summary of Substitute Bill:**

The EDC must post on its data dashboard the department-level budgets of each higher education institution, including budget planning and expenditures. For institutions without a department structure, the EDC must post comparable budget information.

The EDC must post department-level budget plans and budget expenditure to the data dashboard within 60 days of an institution's adoption of its annual fiscal budget plan and completion of its fiscal year budget.

The EDC is responsible for obtaining the budget and spending data from each higher education institution, and for developing the format used to display the budget information.

**Appropriation:** None.

**Fiscal Note:** Requested on February 10, 2014.

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

**Staff Summary of Public Testimony:**

(In support) Some students have had difficulty finding information about university budgets. Some students have to do public records requests to get budget information. Students need to have budget information available down to the department-level, so there is transparency in the university system. The goal of this bill is to make transparency as simple as possible by letting universities use already existing principles. This is a good government transparency bill. Higher education institutions normally produce budgets in the form of public records requests. Higher education institutions are a huge economic driver and there is lots of interest in how they spend their money.

Making budgets more accessible is useful for government watchdogs, so they can monitor government spending. Some institutions need flexibility in the proposed timing of this bill to figure out how soon the department budgets can be rolled out. Many students have little idea about where their dollars are going. Many student governments get this question all the time. Some students like to know where their fees are going and want transparency.

This bill is a simple, straightforward step but it should provide flexibility regarding how long it takes to make data available. Transparency is critical. Some faculty are strongly supportive of restructuring and clarifying the institutional budgets so budget information is now readily available to just about anyone. Given the fluid nature of departmental budget information, which changes frequently to ensure effectiveness, taking a snapshot of the budget may not be an accurate picture of planned spending. Also, some information in the budget may be proprietary. Some schools do not work in departments. Across the state, there is transparency overall. Universities are a critical area of state government and ones where budgets are rising. The detail of any agency is where the rubber meets the road in government spending.

(With concerns) It is good to provide additional, meaningful information to the public. Departmental budgets are not a collection of like documents; depending on the size of the college, certain services are funded at department-level and others at overall level. Some faculty are funded under many department budgets and under many categories within a single budget. Some presidents of institutions meet frequently with students, providing information on budgets. Tuition and fee use is easily found on some websites. Some institutions are appreciative of the intent of the bill, but are concerned that posting departmental budgets would lead to more student and public dissatisfaction if and when detailed information changes every day.

(Opposed) None.

**Persons Testifying:** (In support) Representative Zeiger, prime sponsor; Bill Will, Washington Coalition for Open Government; Jansen VanderMeulen, Associated Students of Washington State University; Jim Huckabay, Central Washington University; and Rowland Thompson, Allied Daily Newspapers.

(With concerns) Chris Mulick, Washington State University; and Steve DuPont, Central Washington University.

**Persons Signed In To Testify But Not Testifying:** None.