

# HOUSE BILL REPORT

## SB 5787

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**As Reported by House Committee On:**  
Higher Education

**Title:** An act relating to the Washington higher education facilities authority.

**Brief Description:** Adding the chair of the student achievement council to the Washington higher education facilities authority.

**Sponsors:** Senators Bailey, Kohl-Welles and Cleveland.

**Brief History:**

**Committee Activity:**

Higher Education: 3/12/13, 3/14/13 [DP].

**Brief Summary of Bill**

- Increases the membership on the Higher Education Facilities Authority to include the Chair of the Washington Student Achievement Council or the Chair's designee.

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass. Signed by 18 members: Representatives Seaquist, Chair; Pollet, Vice Chair; Haler, Ranking Minority Member; Zeiger, Assistant Ranking Minority Member; Fagan, Hansen, Hargrove, Johnson, Magendanz, Pedersen, Reykdal, Riccelli, Sawyer, Sells, Smith, Tarleton, Walsh and Wylie.

**Minority Report:** Do not pass. Signed by 1 member: Representative Scott.

**Staff:** Luke Wickham (786-7146).

**Background:**

The Higher Education Facilities Authority.

The Washington Higher Education Facilities Authority (Facilities Authority) was created in 1983 to allow Washington's nonprofit, independent colleges to build, improve, and outfit higher education facilities through tax-exempt financing. The Facilities Authority issues tax-

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exempt, nonrecourse revenue bonds for the independent qualified institutions of higher education in Washington. The eligible colleges within the Facilities Authority include Bastyr University, Cornish College of the Arts, Gonzaga University, Heritage University, Northwest Indian College, Pacific Lutheran University, Pacific Northwest University of Health Sciences, Seattle Pacific University, Seattle University, University of Puget Sound, Walla Walla University, Whitman College, and Whitworth University.

Currently, the board consists of six members, including: the Governor; Lieutenant Governor; and four public members, one of whom must be the president of a higher education institution at the time of appointment. The public members must be residents of the state, appointed by the Governor, and subject to confirmation by the Senate. The public members serve staggered, four-year terms. The Governor serves as the chairperson of the Facilities Authority.

The Washington Student Achievement Council.

The Washington Student Achievement Council (WSAC) is a state agency established on July 1, 2012, that provides strategic planning, oversight, and advocacy to support increased student success and higher levels of educational attainment in Washington. The WSAC consists of nine members, including five citizens, a current student, and one representative from each of the state's major educational sectors. The WSAC manages student financial aid programs, is developing a 10-year roadmap for higher education, and sets minimum admission standards, among other things.

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**Summary of Bill:**

The membership of the Facilities Authority is increased to seven members, including the Chair of the WSAC or the Chair's designee.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**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) None.

(In support with concerns) There is one small concern with this bill, that the Chair of the WSAC is a volunteer and very busy, so there may be an alternative that could work for everyone. The Facilities Authority issues tax exempt bonds for Washington non-state colleges and universities that are not primarily religious. These bonds are issued to finance capital projects, such as dormitories, additional classrooms, and laboratories. There are 13

eligible schools like Gonzaga, Whitworth, Cornish College, and Bastyr University. Saint Martin's University, here in Olympia, is also included. Since 2009 the Facilities Authority has helped these schools save over \$72 million in interest over borrowing in the private sector.

(Opposed) None.

**Persons Testifying:** Kim Herman, Higher Education Facilities Authority.

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