

SENATE BILL REPORT

SHB 1669

As Reported by Senate Committee On:
Higher Education, February 27, 2014

Title: An act relating to self-supporting, fee-based programs at four-year institutions of higher education.

Brief Description: Concerning self-supporting, fee-based programs at four-year institutions of higher education.

Sponsors: House Committee on Higher Education (originally sponsored by Representatives Pollet, Haler, Cody, Tarleton, Johnson, Seaquist, Farrell, Magendanz, Riccelli and Ryu).

Brief History: Passed House: 3/04/13, 84-14; 1/24/14, 86-11.

Committee Activity: Higher Education: 3/14/13, 3/19/13 [DP]; 2/27/14 [DP].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass.

Signed by Senators Bailey, Chair; Becker, Vice Chair; Kohl-Welles, Ranking Member; Baumgartner, Frockt, McAuliffe and Tom.

Staff: Eric Wolf (786-7405)

Background: Public baccalaureate institutions in Washington offer a variety of fee-based programs that are self supporting and are not funded through the state. These programs are primarily aimed at students who would benefit from alternative delivery options such as evenings and weekends, and via distance learning. Self-supporting, fee-based programs range from the certificate level to doctorate level programs, and are offered in a variety of disciplines.

At the University of Washington (UW), self-supporting programs are managed by the Educational Outreach program. For the 2011-12 academic year, UW's provost permitted certain degree programs to be created or transferred to the Educational Outreach program, only if they (1) were offered in an alternative format from an existing campus-based, daytime, full-time degree program; (2) served primarily non-traditionally aged students in undergraduate programs, professionals in master's level programs, part-time students, or international students; or (3) were new interdisciplinary programs that did not align well with exiting academic units.

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.

In 2012 UW placed a moratorium on transferring state-supported programs to fee-based, self-supporting programs. That moratorium is in place until July 1, 2015.

Summary of Bill: When a decision is being considered to change a degree program that is supported by state funding to a self-supporting, fee-based program, a public baccalaureate institution must:

- publicly notify prospective students, including notification in admission offers, with an estimate of tuition and fees;
- provide at least six months' notification to enrolled students and undergraduate or graduate student government associations; and
- allow students currently enrolled in the program that is changing to a self-supporting program to continue in the state-supported program structure for a consecutive amount of time no greater than four years.

Each public baccalaureate institution must establish or designate a committee comprised of administrators, faculty, and students to evaluate a proposed shift from a state-funded degree program to a self-supporting, fee-based program. When establishing evaluation criteria, the committee must consider the following:

- the financial health and sustainability of the program;
- if moving the program to a self-supporting funding basis alters the availability of student financial aid;
- the audience for the program, the format of the program, and the institutional priority for state funding of the program;
- demographics of students served and graduates practicing in typical fields of study; and
- alternatives to shifting to a self-supporting funding basis including raising tuition within the state-funded context or program elimination.

The committee may also establish a process to periodically evaluate programs that have shifted from a state-supported program to a fee-based funding model for alignment with established criteria.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony:

Public Testimony From 2013 Regular Session.

PRO: Due to budget cuts, there have been dramatic tuition increases. In nursing and midwifery, tuition went up 50 percent and there was not a lot of notice. The reason this happened is because of the drop in state funding.

OTHER: We previously had concerns but no longer do. Self-funding programs allow some programs to stay open.

Public Testimony From 2014 Regular Session.

PRO: This bill is especially important for graduate students who enter into public service degrees, including in public health. Some programs, particularly graduate programs, have recently moved from being state-supported to self-supporting, resulting in large tuition increases. This bill has been agreed to as a sensible process to alleviate the hardship students may face when their programs are transitioned to a self-supporting status. Some students lost eligibility for their tuition waiver when their program became self supporting. About one-quarter of all graduate programs statewide are fee based. Students need to have the tools to make financial and substantive choices about their education. It is important to develop a set of criteria for when programs are considering transitioning from state supported to fee based.

OTHER: UW had to choose between shifting certain programs to fee-based status or closing them down. UW would prefer to have programs remain state supported. UW worked on the bill last year to create language that would be acceptable.

Persons Testifying:

Persons Testifying From 2013 Regular Session.

PRO: Melanie Mayock, UW Graduate and Professional Student Senate.

OTHER: Margaret Shepherd, UW.

Persons Testifying From 2014 Regular Session.

PRO: Representative Pollet, prime sponsor; Chris Erickson, UW Graduate and Professional Student Senate.

OTHER: Margaret Shepherd, UW.