

# SENATE BILL REPORT

## SB 6043

---

---

As of February 6, 2014

**Title:** An act relating to establishing a cap for resident undergraduate tuition rates.

**Brief Description:** Establishing a cap for resident undergraduate tuition rates.

**Sponsors:** Senators Baumgartner, Bailey, Brown, Benton, Dansel and Roach.

**Brief History:**

**Committee Activity:** Higher Education: 2/04/14.

---

### SENATE COMMITTEE ON HIGHER EDUCATION

**Staff:** Kimberly Cushing (786-7421)

**Background:** In 2011 the Legislature enacted E2SHB 1795, the Higher Education Opportunity Act, which provided four-year institutions the authority to set tuition rates for resident undergraduate students through the 2014-15 academic year. In the 2015-16 through 2018-19 academic years they are granted tuition-setting authority within limits based on a state funding baseline year and funding for similar higher education institutions in the Global Challenge States.

This legislation expanded the authority of four-year institutions to charge differential tuition rates to resident undergraduate students. The State Board for Community and Technical Colleges (SBCTC) was also given the authority to pilot or institute differential tuition models.

The average annual wage reported by the Employment Security Department (ESD) in 2012 is \$51,595.

**Summary of Bill:** Beginning in the 2015-16 academic year, full-time tuition for resident undergraduate students at four-year and two-year institutions of higher education must not exceed 10 percent of the most current average annual wage reported by ESD.

The four-year institution's tuition-setting authority for resident undergraduate students is repealed. Additionally, the authority for four-year institutions to set differential tuition rates for resident undergraduate programs and for SBCTC to pilot or institute differential tuition models for resident undergraduate programs is removed.

---

*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.*

**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:** PRO: Tuition is too high. Students are the highest taxed demographic in the state. By 2020, 70 percent of jobs will require some sort of higher education. This bill provides accessibility for students and allows students to achieve goals, whether it is a science, technology, engineering, mathematics, or liberal arts program. Lower tuition is the best form of financial aid. Massive amounts of student debt affects the economy because students will not be buying houses or cars. Thus, the bill increases economic growth. Lower tuition allows families to put another sibling in college and allows students to afford textbooks and attend school full time. One concern with the bill would be the impact on the Guaranteed Education Tuition (GET) Program and the value of GET shares.

CON: We are in support of student access, the goal of world-class education, and minimizing student debt. However, greater state investment is necessary to cut student tuition in half. Lower tuition without additional state support means difficulty having enough student advisors and retaining world-class faculty. We are putting at risk money over the next biennium that we cannot afford. If the bill moves forward, make it contingent on state funding.

**Persons Testifying:** PRO: E.B Vodde, Associated Students of Eastern WA University; Matthew Bobbink, Associated Students of Western WA University; Jayme Shoun, Associated Students of WA State University-Vancouver; Paul Bell, Bellevue College Office of Student Legislative Affairs.

CON: Paul Francis, Council of Presidents; Margaret Shepherd, University of WA; Chris Mulick, WA State University.