
SUBSTITUTE HOUSE BILL 1624

State of Washington

63rd Legislature

2013 Regular Session

By House Higher Education (originally sponsored by Representatives Pollet, Haler, Seaquist, Walsh, Zeiger, Goodman, Farrell, Sells, Upthegrove, Fitzgibbon, Roberts, Kirby, Fey, Freeman, Ryu, and Magendanz)

READ FIRST TIME 02/22/13.

1 AN ACT Relating to restricting tuition increases for resident
2 undergraduate students at four-year institutions of higher education;
3 reenacting and amending RCW 28B.15.067; adding a new section to chapter
4 28B.15 RCW; creating a new section; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.15 RCW
7 to read as follows:

8 (1) The legislature recognizes that for higher education tuition to
9 be affordable for most Washington residents it should not exceed ten
10 percent of the median family income.

11 (2) In 2002 the state's share of spending relative to tuition at
12 public baccalaureate institutions was seventy-six percent and in 2012
13 it dropped to thirty-six percent. The legislature finds that this
14 shift has resulted in a reduction in access and opportunity with the
15 University of Washington tuition rising from ten percent of the median
16 household income to over twenty percent in just five years.

17 (3) The legislature's goal is to make higher education accessible
18 and affordable for all families and sets a long-term goal for tuition
19 at institutions of higher education to be no higher than ten percent of

1 the median household income. This long-term funding goal, referred to
2 as education opportunity funding, includes increasing the proportion of
3 state funding so that it is at least fifty percent share of spending
4 relative to tuition to reduce the burden on students and their
5 families.

6 **Sec. 2.** RCW 28B.15.067 and 2012 2nd sp.s. c 7 s 914 and 2012 c 228
7 s 6 are each reenacted and amended to read as follows:

8 (1) Tuition fees shall be established under the provisions of this
9 chapter.

10 (2) Beginning in the 2011-12 academic year, reductions or increases
11 in full-time tuition fees shall be as provided in the omnibus
12 appropriations act for resident undergraduate students at community and
13 technical colleges. The governing boards of the state universities,
14 regional universities, and The Evergreen State College; and the state
15 board for community and technical colleges may reduce or increase full-
16 time tuition fees for all students other than resident undergraduates,
17 including nonresident students, summer school students, and students in
18 other self-supporting degree programs. Percentage increases in full-
19 time tuition may exceed the fiscal growth factor. Except during the
20 2011-2013 fiscal biennium, the state board for community and technical
21 colleges may pilot or institute differential tuition models. The board
22 may define scale, scope, and rationale for the models.

23 (3)(a) Beginning with the 2011-12 academic year and through the end
24 of the 2014-15 academic year, the governing boards of the state
25 universities, the regional universities, and The Evergreen State
26 College may reduce or increase full-time tuition fees for all students,
27 including summer school students and students in other self-supporting
28 degree programs. Percentage increases in full-time tuition fees may
29 exceed the fiscal growth factor. Reductions or increases may be made
30 for all or portions of an institution's programs, campuses, courses, or
31 students; however, during the 2011-2013 fiscal biennium, reductions or
32 increases in tuition must be uniform among resident undergraduate
33 students.

34 (b) Prior to reducing or increasing tuition for each academic year,
35 the governing boards of the state universities, the regional
36 universities, and The Evergreen State College shall consult with
37 existing student associations or organizations with student

1 undergraduate and graduate representatives regarding the impacts of
2 potential tuition increases. Each governing board shall make public
3 its proposal for tuition and fee increases twenty-one days before the
4 governing board of the institution considers adoption and allow
5 opportunity for public comment. However, the requirement to make
6 public a proposal for tuition and fee increases twenty-one days before
7 the governing board considers adoption shall not apply if the omnibus
8 appropriations act has not passed the legislature by May 15th.
9 Governing boards shall be required to provide data regarding the
10 percentage of students receiving financial aid, the sources of aid, and
11 the percentage of total costs of attendance paid for by aid.

12 (c) Prior to reducing or increasing tuition for each academic year,
13 the state board for community and technical college system shall
14 consult with existing student associations or organizations with
15 undergraduate student representation regarding the impacts of potential
16 tuition increases. The state board for community and technical
17 colleges shall provide data regarding the percentage of students
18 receiving financial aid, the sources of aid, and the percentage of
19 total costs of attendance paid for by aid.

20 (4) Beginning with the 2015-16 academic year through the 2018-19
21 academic year, the governing boards of the state universities, regional
22 universities, and The Evergreen State College may set tuition for
23 resident undergraduates as follows:

24 (a) If state funding for a college or university falls below the
25 state funding provided in the operating budget for fiscal year 2011,
26 the governing board may increase tuition up to the limits set in (d) of
27 this subsection, reduce enrollments, or both;

28 (b) If state funding for a college or university is at least at the
29 level of state funding provided in the operating budget for fiscal year
30 2011, the governing board may increase tuition up to the limits set in
31 (d) of this subsection and shall continue to at least maintain the
32 actual enrollment levels for fiscal year 2011 or increase enrollments
33 as required in the omnibus appropriations act;

34 (c) If state funding is increased so that combined with resident
35 undergraduate tuition the sixtieth percentile of the total per-student
36 funding at similar public institutions of higher education in the
37 global challenge states under RCW 28B.15.068 is exceeded, the governing

1 board shall decrease tuition by the amount needed for the total per-
2 student funding to be at the sixtieth percentile under RCW 28B.15.068;
3 and

4 (d) The amount of tuition set by the governing board for an
5 institution under this subsection (4) may not exceed the sixtieth
6 percentile of the resident undergraduate tuition of similar public
7 institutions of higher education in the global challenge states.

8 (5) In order to communicate the connection between tuition revenue,
9 state funding, and expenditures to implement priorities and meet higher
10 education goals, the performance plan required for four-year
11 institutions of higher education in RCW 28B.15.101 must include
12 prioritized strategies with measurable goals adopted by the governing
13 boards of each university or college and describe how additional
14 funding from tuition, state appropriations, endowments, and federal and
15 private grants will be used to implement prioritized strategies and
16 meet goals. Prioritized strategies and measurable goals must be based
17 on data in RCW 28B.77.090 and at a minimum address:

18 (a) Increasing enrollment and graduation of students qualified for
19 careers in high employer demand programs of study to improve economic
20 vitality;

21 (b) Increasing opportunities for low-income and racially and
22 ethnically underrepresented students, including strategies and goals
23 for increasing aid and support to enable students from low-income and
24 middle-income households to enroll and pursue degrees in high employer
25 demand programs of study and public service fields;

26 (c) Expanding innovative and experimental education strategies and
27 pedagogies and methods for sharing them;

28 (d) Retaining and recruiting world class faculty, graduate
29 students, and staff; and

30 (e) Improving integration with public high schools, community and
31 technical colleges, and employers.

32 (6) The tuition fees established under this chapter shall not apply
33 to high school students enrolling in participating institutions of
34 higher education under RCW 28A.600.300 through 28A.600.400.

35 ~~((+6))~~ (7) The tuition fees established under this chapter shall
36 not apply to eligible students enrolling in a dropout reengagement
37 program through an interlocal agreement between a school district and

1 a community or technical college under RCW 28A.175.100 through
2 28A.175.110.

3 ~~((+7))~~ (8) The tuition fees established under this chapter shall
4 not apply to eligible students enrolling in a community or technical
5 college participating in the pilot program under RCW 28B.50.534 for the
6 purpose of obtaining a high school diploma.

7 ~~((+8))~~ (9) Beginning in the 2019-20 academic year, reductions or
8 increases in full-time tuition fees for resident undergraduates at
9 four-year institutions of higher education shall be as provided in the
10 omnibus appropriations act.

11 ~~((+9))~~ (10) The legislative advisory committee to the committee on
12 advanced tuition payment established in RCW 28B.95.170 shall:

13 (a) Review the impact of differential tuition rates on the funded
14 status and future unit price of the Washington advanced college tuition
15 payment program; and

16 (b) No later than January 14, 2013, make a recommendation to the
17 appropriate policy and fiscal committees of the legislature regarding
18 how differential tuition should be addressed in order to maintain the
19 ongoing solvency of the Washington advanced college tuition payment
20 program.

21 NEW SECTION. **Sec. 3.** (1) To help restrict tuition increases and
22 realize the goals of higher education affordability in section 1 of
23 this act, a higher education funding formula legislative task force is
24 established, with members as provided in this subsection.

25 (a) The president of the senate shall appoint three members from
26 each of the two largest caucuses of the senate. One member from each
27 caucus must be a member of the higher education committee and one
28 member must be a member from the ways and means committee.

29 (b) The speaker of the house of representatives shall appoint three
30 members from each of the two largest caucuses of the house of
31 representatives. One member from each caucus must be a member of the
32 higher education committee and one member must be a member from the
33 appropriations committee.

34 (c) Task force members from the senate and the house of
35 representatives shall select cochairs, one of whom is from the largest
36 caucus in the house of representatives and one of whom is from the
37 largest caucus in the senate.

1 (d) The governor shall appoint six nonvoting members to inform the
2 deliberations of the task force as follows:

3 (i) One member representing the office of financial management;

4 (ii) One member from the student achievement council representing
5 students;

6 (iii) One member from the student achievement council representing
7 public baccalaureate institutions;

8 (iv) One member from the student achievement council representing
9 community and technical colleges;

10 (v) One member from the student achievement council chosen from one
11 of the citizen members; and

12 (vi) One member representing an association of college faculty.

13 (2) The primary duty of the task force is to develop and recommend
14 to the legislature a funding formula for public institutions of higher
15 education that is based in significant part, or exclusively on,
16 institutional performance and student outcomes. For the purposes of
17 this section, "based in significant part" means greater than or equal
18 to fifteen percent of state appropriations. In making recommendations,
19 the task force must:

20 (a) Explicitly identify the link between system goals, performance
21 metrics which includes those metrics specified in performance plans in
22 RCW 28B.15.101 and student outcomes based on data as required in RCW
23 28B.77.090, state appropriations and tuition levels, and tuition
24 affordability;

25 (b) Examine a continuum of other state funding and tuition models,
26 including a state with a funding formula based exclusively on
27 enrollment and a state with a funding formula based exclusively on
28 outcomes and institutional performance;

29 (c) Examine the differential cost of providing degrees and program
30 offerings in high employer demand programs of study and demand and low
31 employer demand programs of study, and should consider a formula that
32 provides a level of state support commensurate with the relatively
33 higher or lower costs of these programs;

34 (d) Be sensitive to the unique needs, challenges, strengths, and
35 institutional missions of the state's institutions of higher education;

36 (e) Consider a mechanism to reduce excessive short-term volatility
37 of funding;

1 (f) Evaluate metrics developed in the performance plans negotiated
2 under RCW 28B.15.101 and 28B.77.090 and the student achievement
3 initiative of the community and technical college system for potential
4 use in a recommended funding formula;

5 (g) Consider the most appropriate way to integrate workforce data
6 into a higher education funding formula, including job placement rates,
7 average starting salary, and other labor market data;

8 (h) Identify data reporting gaps that, if filled, could lead to an
9 improved funding formula; and

10 (i) Report to the governor and the higher education and fiscal
11 committees of the legislature by December 1, 2013.

12 (3) Except as otherwise provided in this section, the task force
13 may recommend an enrollment based funding formula, but other than
14 during a transition period to a new formula, the task force shall not
15 recommend a funding formula where institutions are allocated an amount
16 of state support based on historical practice. The task force may
17 develop multiple funding formulas and may develop different funding
18 formulas for public baccalaureate institutions and community and
19 technical colleges.

20 (4) The task force shall meet at least three times at institutions
21 of higher education in geographically diverse regions of the state.

22 (5) Staff support for the task force must be provided jointly by
23 senate committee services and the office of program research.

24 (6) The expenses of the task force must be paid jointly by the
25 senate and the house of representatives.

26 (7) Legislative members of the task force must be reimbursed for
27 travel expenses in accordance with RCW 44.04.120. Nonlegislative
28 members, except those representing an employer or organization, are
29 entitled to be reimbursed for travel expenses in accordance with RCW
30 43.03.050 and 43.03.060. Task force expenditures are subject to
31 approval by the senate facilities and operations committee and the
32 house of representatives executive rules committee, or their successor
33 committees.

34 (8) This section expires July 1, 2014.

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