
SENATE BILL 5390

State of Washington

63rd Legislature

2013 Regular Session

By Senators Frockt, Kohl-Welles, McAuliffe, Ranker, Murray, Harper, and Conway

Read first time 01/29/13. Referred to Committee on Higher Education.

1 AN ACT Relating to establishing the educational achievement and
2 tuition reduction incentive program; adding a new section to chapter
3 28B.15 RCW; creating new sections; and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** After years of eroding state support for
6 Washington's public postsecondary baccalaureate institutions, the
7 legislature intends to reassert the strong tradition of higher
8 education as a public good, recognizing that Washington's postsecondary
9 educational system was founded with a public mission and that a robust
10 public postsecondary educational system benefits Washingtonians
11 throughout the state. The legislature intends to reverse the recent
12 trends of underfunding public higher education and embark on a new
13 policy that simultaneously strives for open access and excellence in
14 Washington's public higher education system.

15 The legislature also recognizes that the individual and combined
16 success of the people of Washington, and in turn the vitality of
17 business across our state, rely overwhelmingly on the quality of the
18 state's higher education system. The legislature further recognizes
19 that by 2018 it is estimated that nearly seventy percent of jobs in

1 Washington will require some postsecondary education. Yet, the state
2 is currently investing less in its public baccalaureate institutions
3 than twenty years ago.

4 Therefore, the legislature finds that after years of compounding
5 cuts to Washington's public higher education system that have hurt
6 students, families, faculty, and the institutions, it is time to make
7 tuition affordable for all Washingtonians while simultaneously stopping
8 the disinvestment in our world-class colleges and universities. To do
9 this, the legislature intends to create an incentive funding structure
10 that encourages institutions to hold the line on tuition increases,
11 while also using data on existing performance metrics to help drive
12 student success throughout the postsecondary educational system. The
13 legislature does not intend to overburden the institutions with
14 additional reporting requirements, but intends for the institutions to
15 better use the existing reporting system in order to achieve the
16 state's overarching policy goals for higher education. Recognizing
17 that top-notch faculty and institutions must have the resources
18 necessary to maintain quality educational programs that will provide
19 tremendous value to the public and will keep Washington competitive for
20 decades to come, it is the intent of the legislature that any funding
21 appropriated for the incentive funding structure be appropriated in
22 addition to institutions' baseline biennial appropriations.

23 The legislature also intends to create a task force to begin work
24 on an incentive funding model based on the accountability monitoring
25 and reporting system established in chapter 10, Laws of 2011 1st sp.
26 sess.

27 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.15 RCW
28 to read as follows:

29 The educational achievement and tuition reduction incentive program
30 is established to provide new incentive funding to four-year
31 institutions of higher education that demonstrate improvement on
32 existing performance measures and to control resident undergraduate
33 tuition growth. The voluntary program includes, but is not limited to,
34 the following components:

35 (1) A system for allocating new state resources to institutions
36 based on an institution's:

37 (a) Performance under the incentive program; and

- 1 (b) Control of resident undergraduate tuition growth;
- 2 (2) Performance metrics based on the reporting requirements
- 3 established in RCW 28B.77.090;
- 4 (3) Measurement of each institution's performance in relation to
- 5 its own past performance in order to preserve each school's unique
- 6 mission; and
- 7 (4) Investment of unallocated incentive funds to the state need
- 8 grant program to expand access to low-income and underserved students.

9 NEW SECTION. **Sec. 3.** (1) The office of financial management shall
10 convene a technical incentive funding model task force to design an
11 incentive funding model to support the incentive program created in
12 section 2 of this act. The model must incorporate the components of
13 the incentive program.

- 14 (2) The task force must include the following members:
- 15 (a) One representative from the student achievement council;
- 16 (b) One representative from the education data center created in
- 17 RCW 43.41.400; and
- 18 (c) One representative from each four-year institution of higher
- 19 education as defined in RCW 28B.10.016.

20 (3)(a) The office of financial management shall submit a
21 preliminary report to the governor and appropriate committees of the
22 legislature by December 1, 2013.

23 (b) The office of financial management shall submit a final report
24 containing an incentive funding model to support the incentive program
25 in section 2 of this act to the governor and appropriate committees of
26 the legislature by September 1, 2014.

27 (4) This section expires August 1, 2015.

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