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SENATE BILL 5420

State of Washington 63rd Legislature 2013 Regular Session

By Senators Kohl-Welles, Frockt, Murray, McAuliffe, Fraser, Ranker, Rolfes, Kline, Conway, and Chase

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

- 1 AN ACT Relating to creating a two-year freeze on tuition rates at
- 2 four-year institutions of higher education; reenacting and amending RCW
- 3 28B.15.067; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The legislature finds that maintaining an accessible, high quality public postsecondary system has far-
- 7 reaching benefits for the individual success of Washingtonians
- 8 throughout our state, as well as for a shared society as a whole.
- 9 Higher education not only opens the door to more jobs in today's
- 10 economy, it is also a key pillar of a working democracy and civilized
- 11 society.
- 12 (2) The legislature also finds that the state's declining
- 13 investment in its public institutions of higher education has
- 14 increasingly shifted the burden of the costs of undergraduate
- 15 postsecondary education to Washington students and families, who now
- 16 cover sixty-seven percent of costs through tuition. As undergraduate
- 17 resident tuition rates have skyrocketed in recent years, the state's
- 18 investments in student financial assistance have not kept pace with the
- 19 number of students qualifying for aid, a trend that has led to historic

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- rates of student loan debt throughout the state. The legislature 1 2 recognizes that the state now invests less in its public baccalaureate institutions than it did twenty years ago. 3 Since the 2007-2009 4 biennium, state funding for these public institutions has been cut by forty-one percent. By the end of the 2011-2013 biennium, the state's 5 share of the cost of educating a student at public institutions of 6 7 higher education will have dropped from seventy-two percent a decade 8 ago to thirty-seven percent.
- 9 (3) It is the intent of the legislature to preserve broad access to 10 high quality postsecondary education opportunities throughout the state 11 and to begin to restore the funding balance between students and the 12 state.
- 13 (4) Therefore, it is the intent of the legislature to freeze tuition increases for Washington resident undergraduate students for the 2013-2015 biennium, provided that no less than two hundred twenty- five million dollars be appropriated and proportionally divided among the six public baccalaureate institutions of higher education in Washington state, for the purpose of offsetting revenue that would otherwise be obtained by scheduled tuition increases.
- 20 **Sec. 2.** RCW 28B.15.067 and 2012 2nd sp.s. c 7 s 914 and 2012 c 228 s 6 are each reenacted and amended to read as follows:
- 22 (1) Tuition fees shall be established under the provisions of this chapter.
 - (2) Beginning in the 2011-12 academic year, reductions or increases in full-time tuition fees shall be as provided in the omnibus appropriations act for resident undergraduate students at community and technical colleges. The governing boards of the state universities, regional universities, and The Evergreen State College; and the state board for community and technical colleges may reduce or increase full-time tuition fees for all students other than resident undergraduates, including nonresident students, summer school students, and students in other self-supporting degree programs. Percentage increases in full-time tuition may exceed the fiscal growth factor. Except during the 2011-2013 fiscal biennium, the state board for community and technical colleges may pilot or institute differential tuition models. The board may define scale, scope, and rationale for the models.

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

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- (b) For the 2013-14 and 2014-15 academic years, if after accounting for maintenance-level appropriations the sum of two hundred twenty-five million dollars is appropriated from the general fund to be divided among the state universities, the regional universities, and The Evergreen State College in the 2013-2015 omnibus appropriations act, each institution's full-time tuition fees for resident undergraduates shall not exceed its 2012-13 academic year resident undergraduate tuition levels.
- (c) Prior to reducing or increasing tuition for each academic year, governing boards of the state universities, the universities, and The Evergreen State College shall consult with student associations or organizations with undergraduate and graduate representatives regarding the impacts of potential tuition increases. Each governing board shall make public its proposal for tuition and fee increases twenty-one days before the governing board of the institution considers adoption and allow opportunity for public comment. However, the requirement to make public a proposal for tuition and fee increases twenty-one days before the governing board considers adoption shall not apply if the omnibus appropriations act has not passed the legislature by May 15th. Governing boards shall be required to provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.
- $((\frac{c}{c}))$ <u>(d)</u> Prior to reducing or increasing tuition for each academic year, the state board for community and technical college system shall consult with existing student associations or organizations with undergraduate student representation regarding the

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impacts of potential tuition increases. The state board for community and technical colleges shall provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.

- (4) Beginning with the 2015-16 academic year through the 2018-19 academic year, the governing boards of the state universities, regional universities, and The Evergreen State College may set tuition for resident undergraduates as follows:
- (a) If state funding for a college or university falls below the state funding provided in the operating budget for fiscal year 2011, the governing board may increase tuition up to the limits set in (d) of this subsection, reduce enrollments, or both;
- (b) If state funding for a college or university is at least at the level of state funding provided in the operating budget for fiscal year 2011, the governing board may increase tuition up to the limits set in (d) of this subsection and shall continue to at least maintain the actual enrollment levels for fiscal year 2011 or increase enrollments as required in the omnibus appropriations act;
- (c) If state funding is increased so that combined with resident undergraduate tuition the sixtieth percentile of the total per-student funding at similar public institutions of higher education in the global challenge states under RCW 28B.15.068 is exceeded, the governing board shall decrease tuition by the amount needed for the total per-student funding to be at the sixtieth percentile under RCW 28B.15.068; and
- (d) The amount of tuition set by the governing board for an institution under this subsection (4) may not exceed the sixtieth percentile of the resident undergraduate tuition of similar public institutions of higher education in the global challenge states.
- (5) The tuition fees established under this chapter shall not apply to high school students enrolling in participating institutions of higher education under RCW 28A.600.300 through 28A.600.400.
- (6) The tuition fees established under this chapter shall not apply to eligible students enrolling in a dropout reengagement program through an interlocal agreement between a school district and a community or technical college under RCW 28A.175.100 through 28A.175.110.

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

- (8) Beginning in the 2019-20 academic year, reductions or increases in full-time tuition fees for resident undergraduates at four-year institutions of higher education shall be as provided in the omnibus appropriations act.
- (9) The legislative advisory committee to the committee on advanced tuition payment established in RCW 28B.95.170 shall:
- (a) Review the impact of differential tuition rates on the funded status and future unit price of the Washington advanced college tuition payment program; and
- (b) No later than January 14, 2013, make a recommendation to the appropriate policy and fiscal committees of the legislature regarding how differential tuition should be addressed in order to maintain the ongoing solvency of the Washington advanced college tuition payment program.

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