

# HOUSE BILL REPORT

## SHB 1433

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**As Reported by House Committee On:**  
Higher Education  
Appropriations

**Title:** An act relating to decoupling services and activities fees from tuition.

**Brief Description:** Decoupling services and activities fees from tuition.

**Sponsors:** House Committee on Higher Education (originally sponsored by Representatives Stambaugh, Orwall, Haler, Tarleton, Jinkins, Pollet, Stonier, Ryu, Hargrove, Santos and Doglio).

**Brief History:**

**Committee Activity:**

Higher Education: 2/7/17, 2/15/17 [DPS], 1/9/18 [DP];

Appropriations: 2/23/17, 2/24/17 [DPS(HE)], 1/22/18, 1/24/18 [DP2S].

**Brief Summary of Second Substitute Bill**

- Removes the provision tying the annual increase of service and activity fees to the percentage increase in student tuition fees for the four-year public institutions.
- Requires that increases to services and activity fees at the four-year public institutions shall not exceed 4 percent per year.

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass. Signed by 8 members: Representatives Hansen, Chair; Pollet, Vice Chair; Holy, Ranking Minority Member; Van Werven, Assistant Ranking Minority Member; Orwall, Sells, Stambaugh and Tarleton.

**Staff:** Trudes Tango (786-7384).

**Background:**

Services and activities (S&A fees) are used to fund student activities and programs. Governing boards at institutions of higher education may increase the S&A fee annually. The

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authorizing statute provides that the annual increase may not exceed the percentage increase of the annual percentage increase in student tuition fees for resident undergraduate students. The percentage increase does not apply to that portion of the S&A fees previously committed to the repayment of bonded debt. Those adjustments may exceed the fiscal growth factor.

In the 2013-15 and 2015-17 fiscal biennia, the Legislature authorized governing boards to increase the S&A fees by amounts judged reasonable and necessary by the S&A fee committee and the governing board, as opposed to having the increase tied to tuition.

Each institution has an S&A fee committee, and students have a majority of the voting membership on the committee. Student groups and campus programs submit proposals to the S&A fee committee, which reviews the proposals and recommends how S&A fees should be allocated. The S&A fee committee recommends a final budget to the institution's governing board, which is required to give priority consideration to the committee's recommendations.

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**Summary of Substitute Bill:**

The provision limiting the annual increase of S&A fees to the percentage increase in student tuition fees is removed for the four-year public institutions. Instead, S&A fees may be increased by amounts judged reasonable and necessary by the S&A fee committee and the governing board.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) The S&A fees are used to support student-driven programs. The committees that make recommendations on increasing and distributing S&A fees are made up of students. Services and activities fees are one of the few ways students can address the issues they face by funding programs students want. When tuition is frozen or reduced, it is more difficult for students to maintain the programs that serve them. The bill will enable students to make sound financial decisions. Most S&A fee committees have been conservative in raising S&A fees.

(Opposed) None.

**Persons Testifying:** Representative Stambaugh, prime sponsor; Matt Munoz, University of Washington Graduate and Professional Student Senate; Matthew Morrow, Associated

Students of Washington State University; and Francisco Flores, Associated Students of Eastern Washington University.

**Persons Signed In To Testify But Not Testifying:** None.

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 22 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Bergquist, Caldier, Cody, Fitzgibbon, Graves, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Schmick, Senn, Springer, Stanford, Sullivan and Tharinger.

**Minority Report:** Do not pass. Signed by 10 members: Representatives Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Buys, Condotta, Manweller, Taylor, Vick, Volz and Wilcox.

**Staff:** Lily Sobolik (786-7157).

### **Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Higher Education:**

The Appropriations Committee recommended limiting the increase of services and activities (S&A) fees to a maximum of 4 percent per year, at the four-year public institutions.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Second Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) Currently, students are unable to budget their S&A fees as they see fit. Under current law, S&A fees can only increase if tuition increases. This bill would decouple S&A fees from tuition and allow students to increase their own fees even if tuition does not increase.

Services and activities fees pay for central student services like the parent resource center, veteran's resource center, clubs, newspaper, wellness center, and outdoor center. This is a unique fee because it is totally student driven. The student body appoints the members of the S&A Fee Committee, which sets the priorities for how to allocate the S&A fee resources. The S&A Fee Committee can respond more quickly to emerging issues impacting students, like food insecurity. Students have proven to be responsible stewards of this funding. This bill would greatly benefit students at no cost to the state.

(Opposed) None.

**Persons Testifying:** Representative Stambaugh, prime sponsor; Ernie Tao, Associated Students of the University of Washington; Matt Munoz, University of Washington Graduate and Professional Student Senate; and Leah Mobley, Central Washington University.

**Persons Signed In To Testify But Not Testifying:** None.