

# SENATE BILL REPORT

## SB 5512

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As of January 25, 2023

**Title:** An act relating to adding financial transparency reporting requirements to the public four-year dashboard.

**Brief Description:** Adding financial transparency reporting requirements to the public four-year dashboard.

**Sponsors:** Senators Holy, Lias, Rivers, Salomon, Wilson, J., Schoesler, Torres, Wilson, L., MacEwen, Dozier, Wagoner, Warnick, Gildon, McCune, Short, King, Braun, Muzzall, Nguyen, Billig and Boehnke.

**Brief History:**

**Committee Activity:** Higher Education & Workforce Development: 1/25/23.

**Brief Summary of Bill**

- Adds measures of institutional resources and financial health to the statewide public four-year dashboard.

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**SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT**

**Staff:** Alicia Kinne-Clawson (786-7407)

**Background:** The six, public four-year institutions of higher education in the state are required to submit data for a number of accountability measures to the Office of Financial Management by December 1st each year. The education data center manages the statewide public four-year dashboard which displays the accountability measures identified in statute. Data required to be submitted includes enrollment information, the number and types of degrees awarded, graduation rates, transfer rates, time and credits to degree, credit accumulation, retention rates, student debt load, market penetration, and much more.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Bill:** The following measures are added to the statewide public four-year dashboard:

- ratio of fall headcount students to fall headcount faculty appointments;
- annualized ratio of full-time equivalent (FTE) students to FTE nonfaculty positions;
- annual operating margin;
- annual primary reserve ratio;
- minimum reserves;
- viability ratio;
- ratio of total financial resources per FTE student; and
- total market value of endowment holdings.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill is simple and straightforward. Larger research universities have revenue streams that are outside the sphere of our information. Concurrently, there is a fluctuation in enrollment in all state universities. This bill tries to find a common crossroad between all universities with different revenue streams, resources, and enrollment patterns, and gives an idea of the stability and financial status of the universities. This bill will help highlight the way administrations have grown at the expense of faculty over the last fifty years. It will highlight university debt. This is a first check in with state universities. This bill has utility value in the way education has fluctuated within the last five years. This bill should ensure there are common definitions and assumptions for each data set required in this bill. It should provide consistent and relevant data across all institutions. Not having enough tenured professors can become a serious accrediting challenge.

**Persons Testifying:** PRO: Senator Jeff Holy, Prime Sponsor; Ruben Flores, Council Of Presidents; Bill Lyne, United Faculty of Washington State.

**Persons Signed In To Testify But Not Testifying:** No one.