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**SUBSTITUTE HOUSE BILL 2344**

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**State of Washington                      61st Legislature                      2009 Regular Session**

**By House Ways & Means (originally sponsored by Representative Haigh)**

READ FIRST TIME 04/20/09.

1            AN ACT Relating to resident undergraduate tuition; amending RCW  
2 28B.15.068; and adding a new section to chapter 28B.15 RCW.

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

4            **Sec. 1.** RCW 28B.15.068 and 2007 c 151 s 1 are each amended to read  
5 as follows:

6            (1) Beginning with the 2007-08 academic year and ending with the  
7 2016-17 academic year, tuition fees charged to full-time resident  
8 undergraduate students, except in academic years 2009-10 and 2010-11,  
9 may increase no greater than seven percent over the previous academic  
10 year in any institution of higher education. Annual reductions or  
11 increases in full-time tuition fees for resident undergraduate students  
12 shall be as provided in the omnibus appropriations act, within the  
13 seven percent increase limit established in this section. For academic  
14 years 2009-10 and 2010-11 the omnibus appropriations act may provide  
15 tuition increases greater than seven percent. To the extent that state  
16 appropriations combined with tuition and fee revenues are insufficient  
17 to achieve the total per-student funding goals established in  
18 subsection (2) of this section, the legislature may revisit state

1 appropriations, authorized enrollment levels, and changes in tuition  
2 fees for any given fiscal year.

3 (2) The state shall adopt as its goal total per-student funding  
4 levels, from state appropriations plus tuition and fees, of at least  
5 the sixtieth percentile of total per-student funding at similar public  
6 institutions of higher education in the global challenge states. In  
7 defining comparable per-student funding levels, the office of financial  
8 management shall adjust for regional cost-of-living differences; for  
9 differences in program offerings and in the relative mix of lower  
10 division, upper division, and graduate students; and for accounting and  
11 reporting differences among the comparison institutions. The office of  
12 financial management shall develop a funding trajectory for each four-  
13 year institution of higher education and for the community and  
14 technical college system as a whole that when combined with tuition and  
15 fees revenue allows the state to achieve its funding goal for each  
16 four-year institution and the community and technical college system as  
17 a whole no later than fiscal year 2017. The state shall not reduce  
18 enrollment levels below fiscal year 2007 budgeted levels in order to  
19 improve or alter the per-student funding amount at any four-year  
20 institution of higher education or the community and technical college  
21 system as a whole. The state recognizes that each four-year  
22 institution of higher education and the community and technical college  
23 system as a whole have different funding requirements to achieve  
24 desired performance levels, and that increases to the total per-student  
25 funding amount may need to exceed the minimum funding goal.

26 (3) By September 1st of each year beginning ~~((fin))~~ in 2008, the  
27 office of financial management shall report to the governor, the higher  
28 education coordinating board, and appropriate committees of the  
29 legislature with updated estimates of the total per-student funding  
30 level that represents the sixtieth percentile of funding for comparable  
31 institutions of higher education in the global challenge states, and  
32 the progress toward that goal that was made for each of the public  
33 institutions of higher education.

34 (4) As used in this section, "global challenge states" are the top  
35 performing states on the new economy index published by the progressive  
36 policy institute as of July 22, 2007. The new economy index ranks  
37 states on indicators of their potential to compete in the new economy.  
38 At least once every five years, the office of financial management

1 shall determine if changes to the list of global challenge states are  
2 appropriate. The office of financial management shall report its  
3 findings to the governor and the legislature.

4 (5) During the 2009-10 and the 2010-11 academic years, institutions  
5 of higher education shall include information on their billing  
6 statements notifying students of tax credits available through the  
7 American opportunity tax credit provided in the American recovery and  
8 reinvestment act of 2009.

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

11 (1) The higher education coordinating board, in coordination with  
12 higher education stakeholders, shall review options and make  
13 recommendations on a tuition policy that allows flexibility,  
14 accessibility, and differentiation among Washington's various public  
15 baccalaureate tuition rates. Recommendations shall support the  
16 implementation of the strategic master plan for higher education  
17 including consideration of policies that address student access,  
18 equity, and academic quality.

19 (2) The board shall examine policies that couple higher tuition  
20 with higher institutional need-based financial aid; differential  
21 tuition rates based on family income; differential tuition rates based  
22 on institutional mission, campus, credit hours, academic program, and  
23 delivery method; and policies that encourage collaboration and  
24 coordination among institutions of higher education and that facilitate  
25 coenrollment among multiple institutions, including enrollment in  
26 online learning courses.

27 (3) Each option shall be assessed in terms of administrative  
28 feasibility, interactions with and implications for state and federal  
29 financial aid tuition programs, and impacts on students of different  
30 income levels.

31 (4) The board shall report its findings and recommendations to the  
32 governor and to the appropriate committees of the legislature by  
33 November 1, 2009.

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