# Washington State House of Representatives Office of Program Research

# BILL ANALYSIS

## **Higher Education Committee**

## **HB 2651**

**Brief Description**: Requiring creation of a higher education transparency web site.

**Sponsors**: Representatives Hansen, Haler, Zeiger, Magendanz and Pollet.

## **Brief Summary of Bill**

- Requires the Washington Student Achievement Council (WSAC) to create a higher education transparency web site that provides easily accessible information on revenues and expenditures for each institution of higher education by January 1, 2015.
- Requires each higher education institution and the State Board for Community and Technical Colleges to provide the WSAC with revenue and expenditure information in the format and manner required by the WSAC, and to display prominently on their institutional web sites a link to the WSAC's transparency web site.

Hearing Date: 1/31/14

Staff: Megan Wargacki (786-7194).

### Background:

The Joint Legislative Audit and Review Committee created a report in 2010 called "Transparency in Higher Education Data" (Report). The Report found that "the Legislature and others cannot easily examine expenditure and revenue information ... [for] the state's four-year higher education institutions" (institutions).

Currently, institutions are required to disclose on their tuition billing statement or web sites the prior year's total revenue and uses of tuition revenue. Each institution's governing board must make public its proposals for tuition and fee increases. The Services and Activities Fees Committee (Committee) at each institution must post the prior year's services and activities fees expenditures on the institution's web site, including the amounts expended in all major expenditure categories.

House Bill Analysis - 1 - HB 2651

-

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

One of the duties of the Washington Student Achievement Council (WSAC) is to protect education consumers by monitoring the program quality and finances of institutions.

The State Board for Community and Technical Colleges (SBCTC) provides leadership, coordination, and services for the 32 public community and technical colleges.

#### **Summary of Bill**:

By January 1, 2015, the WSAC must create a higher education transparency web site that will provide easily accessible information on revenues and expenditures for each institution of higher education

In developing and maintaining the transparency web site, the WSAC must:

- ensure the web site is easily accessible;
- ensure data is collected and displayed according to confidentiality and public records laws:
- wherever possible, use data from existing data sources;
- include historical data to allow year-to-year comparisons;
- analyze and display the data in order to communicate the relative size of revenues and expenditures for each institution in an easily accessible and understandable format;
- provide basic enrollment and program information for each institution for context;
- provide a link to any audit reports available to the public or issued by the State Auditor's Office for each institution; and
- update the web site each year.

The major revenue categories are provided, though the WSAC is authorized to change the categories by rule.

To the extent possible and subject to laws relating to confidentiality, and using existing data sources and system applications, each higher education institution and the SBCTC must:

- provide the WSAC with revenue and expenditure information;
- provide the information in the format and manner required by the WSAC; and
- prominently display on their institutional web sites a link to the WSAC's transparency web site.

**Appropriation**: None.

Fiscal Note: Available.

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