

FINAL BILL REPORT

ESSB 5325

C 9 L 95 E1
Synopsis as Enacted

Brief Description: Changing higher education fiscal provisions.

Sponsors: Senate Committee on Higher Education (originally sponsored by Senators Rinehart, Bauer, Prince, Pelz, Sheldon, Kohl, Drew and Wood).

Senate Committee on Higher Education

Senate Committee on Ways & Means

House Committee on Higher Education

Background: The Washington Legislature has established in statute that tuition will be a percentage of the instructional cost at the public colleges and universities. For a number of years, the percentages were fixed at constant rates, although rates differed between graduate and undergraduate, resident and nonresident, and by type of institution. However, the 1993 Legislature increased the percentages for 1993-94 and again for 1994-95, leading to substantial increases in tuition.

With the increase in tuition as a percentage of cost and a greater reliance on tuition revenue, Washington is similar to other states. Results from a national survey by the American Association of State Colleges and Universities noted that: "The substantial increases in tuition and fee charges for the past two years, and overall for the past decade, indicate a continuing shift in the burden of payment for public education to students and parents." Extra tuition dollars are replacing tax support.

The cost study conducted by the Higher Education Coordinating Board establishes an average instructional cost per full-time equivalent student based on support made available by the Legislature. General fund-state support has been going down. As the state support goes down, so will the tuition. That is what has happened this year. This circumstance has led some people to conclude that the current system for setting tuition in Washington is broken.

Summary: Tuition increases of 4 percent per year are established for the 1995-96 and 1996-97 academic years. The educational cost study is continued but it does not drive tuition. Tuition revenue increases are not offset when making general fund appropriations. Tuition categories are defined. The building fee calculation is clarified. A minimum of 3.5 percent of tuition and services and activities fees is deposited in the institutional loan fund for each institution of higher education, including technical colleges. The results of a cooperative, bipartisan study of higher education funding provide the basis for legislative action in 1997.

Votes on Final Passage:

Senate	28	20
House	51	43 (House amended)
Senate		(Senate refused to concur)

First Special Session

Senate 45 1

House 70 27

Effective: June 14, 1995