

COMMITTEE ON HIGHER EDUCATION
Rep. Phyllis Kenney, Democratic Co-Chair and
Rep. Don Carlson, Republican Co-Chair

BILL ANALYSIS--HB 1606

Brief Description: Providing higher education students an equal voice in determining budgets for services and activities fees.

Background: In Washington's public institutions of higher education, tuition and fees are composed of three specific types of fees: operating fees, building fees, and services and activities fees. The operating fee is the largest component (between 75 and 90 percent) and is used primarily to fund instructional activities. The building fee is between three and nine percent of the total amount and is used for bond retirement and other building projects. The services and activities fee is between nine and fourteen percent of the total. It funds student activities and programs which are not part of the instructional program and also funds some bond repayment. The total estimated revenue for all institutions for 1998-99 from services and activities fees is \$30 million.

Under current law (RCW 28B.15.045), the institutional governing boards are given the final responsibility for budgeting and expending the services and activities fee revenue. Provisions in the statute require the boards to adopt guidelines for determining the services and activities fee budget. The guidelines must be consistent with the following provisions: (1) a committee, with a majority of its members being students, is responsible for proposing to the administration and the board its program priorities for the services and activities budget; (2) both the administration and a student representative from the committee must have an opportunity to address the board before it makes its decisions; (3) boards are required to adhere to the principle that the committee's desires be given priority consideration on funding items that do not fall into the categories of preexisting contractual obligations, bond covenant agreements, or stability for programs affecting students; (4) the administration is required to prepare a written response to the committee's proposal that outlines potential areas of difference between the committee's recommendations and the administration's recommendations; and (5) in the event of a dispute between the committee and the administration, a detailed dispute resolution process is outlined.

Summary: The statutory guidelines for determining budgets for the services and activities fee revenue at Washington's public institutions of higher education are modified. Legislative intent language is changed from requiring governing boards to ensure that students have a strong voice in recommending budgets to saying that boards and students have an equal voice in determining budgets. The provision requiring boards to first meet preexisting contractual obligations, bond covenant agreements or program stability is replaced by direction that revenue from the fee be used exclusively to support student services and programs. Rather than making recommendations for a budget, the S&A fee committee is responsible for proposing a budget. The governing board is limited to approving or disapproving expenditures in the committee's budget, except it may approve expenditures to remedy any failure by the committee to observe preexisting contractual obligations or bond covenant agreements. A requirement is added that only changes in the amount of services and activities fees agreed upon by the committee and board may be used to adjust the amount charged to students.

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