

SENATE BILL REPORT

2SHB 2293

As Reported By Senate Committee On:
Higher Education, February 20, 1996
Ways & Means, February 26, 1996

Title: An act relating to higher education fiscal matters.

Brief Description: Authorizing a technology fee at public institutions of higher education.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Carlson, Jacobsen, Murray and Chopp).

Brief History:

Committee Activity: Higher Education: 2/19/96, 2/2/96 [DPA-WM, DNP].
Ways & Means: 2/26/96 [DPA].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators Bauer, Chair; Kohl, Vice Chair; Drew, Hale, McAuliffe, Rasmussen, Sheldon, West and Wood.

Minority Report: Do not pass.
Signed by Senator Prince.

Staff: Jean Six (786-7423)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.
Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Cantu, Drew, Finkbeiner, Hargrove, Hochstatter, Johnson, Kohl, Long, McDonald, Pelz, Sheldon, Snyder, Spanel, West and Winsley.

Staff: Michael Groesch (786-7434)

Background: In Washington, tuition fees for students attending most public colleges and universities are made up of two components, building fees and operating fees. Building fees provide part of the funding for facility repairs, renovations, and construction. Operating fees are used to provide part of the funding needed for instruction and institutional operations. Tuition rates for the 1995-96 and 1996-97 academic years are mandated in law. After the 1996-97 academic year, there is no statutory mechanism in place to determine tuition rates.

In addition to tuition fees, institutions of higher education charge students a services and activities fee (S & A fee). The fee supports student activities and programs. The fee may

also be pledged for the payment of bonds used to construct dormitories, hospitals, infirmaries, dining halls, parking structures, and buildings that house student services, student activities, and the dean of students. The rate of increase in services and activities fees is limited by law. In any year, the fees may increase by a percentage that does not exceed the percentage increase in tuition.

In addition, governing boards may charge other fees. These fees include fees for short and self-supporting courses, deposits, rentals and fines. The fees also include laboratory, gymnasium, health, and other special fees.

Western Washington University charges students a technology fee. Over the years, the Attorney General's Office has held that the only fees that an institution may charge to all students are tuition and services and activities fees. One recent exception to that ruling has been health fees.

The laws governing tuition and fees do not apply to students attending technical colleges.

Summary of Amended Bill: With the consent of its student government association, each of the public baccalaureate institutions may establish a student technology fee. The fee must be used exclusively for technology resources for general student use. During the 1996-97 academic year, the fee cannot exceed \$120 for a full-time student; the fee for part-time students is prorated. In subsequent years, changes in the amount of the fee must be approved by both the student government association and the institution's governing board. The technology fee is not included in tuition or services and activities fees, and it may not be increased in excess of the fiscal growth factor. The student government association or its equivalent approves the expenditure plan for the fee revenue and may abolish the fee at any time by a majority vote.

The technology fee is defined. It is a fee used to help pay for services to students that include access to the Internet and the World Wide Web, computer and multimedia laboratories and work stations, software, and dial-up telephone services. Refund policies for the technology fee are governed by laws that govern refunds for tuition and services and activities fees.

Three and one-half percent of any revenue raised by the fee must be deposited in the university's local financial aid fund. Institutions may waive the technology fee for teaching and research assistants employed for 20 or more hours per week.

The law declares an emergency and takes effect immediately.

Prior to the establishment of the fee, the institution must identify all existing fees of a similar nature or purpose and negotiate with the student governing board to eliminate duplicative fees. The fee must cease being collected the term after the student governing body votes to eliminate the fee.

Amended Bill Compared to Substitute Bill: Establishment of the technology fee requires a written agreement between the governing boards and their respective student government association or its equivalent. The fee is not exempt from the provisions of 601. The student

government association or its equivalent approve the expenditure plan for the fee revenue, and may abolish the fee at any time by a majority vote.

Ways & Means Amendment Compared to Higher Education Amendment: Following a vote of the student body to eliminate the fee, the fee expires at the beginning of the next term rather than the term two years following the vote. The governing board of an institution considering the imposition of the fee is required to provide the student governing body with a list of fees of a similar nature or similar purposes so that the student may negotiate with the governing board to eliminate duplication.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For (Higher Education): The technology fee requires no money from the general fund. The fee is a partnership effort of the students and administrations. For our students to excel in the world of technology, Washington must provide access to up-to-date technology. This is a creative way to find funds for expensive equipment and access needs.

The PA and RA waivers are very important to the graduate students.

Testimony Against (Higher Education): None.

Testified (Higher Education): President Dick McCormick, UW; Lambert VanDerWalde, WSL, UW; Judith Nicastro, UW Graduate Students; David Reider, WSL, WSU.

Testimony For (Ways & Means): The fee will enable access to technology and represents a new way of doing business. The fee in the bill represents a maximum level. Not all schools would ask the students to pay the fully authorized amount. Under the negotiations between students and the administration, the fee could be used to replace current lab fee charges. This fee is not seen as a tuition increase because the implementation, use and sunset of the fee is controlled by student government.

Testimony Against (Ways & Means): The fee is seen as an increase in tuition because it will be applied universally to all students. If institutions do not implement the fee, they will fall behind others that do in their ability to provide technology to students. The state should meet its obligation in funding technology rather than defer to student-based fees which increase the cost of education. This type of fee should be considered in an overall review of tuition policy. Although a portion of the fees will be used for institutional financial aid, there is no additional state financial aid provided to address the increase to the cost of education that this fee represents. There are currently a number of technology-related fees and students will not vote to increase fees again. If the bill is passed, the amendments which provide for student involvement and security should be retained.

Testified (Ways & Means): Dick McCormick, UW (pro); Lambert VanderWalde, ASUW; Judy Nicastro, GPSS; Martha Lindley, CWU (pro); Shane Bird, ASEWU (con); Kim Merriman, TESC (concerns); David Reiter, AS WSU (concerns).