

# SENATE BILL REPORT

## SB 5713

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As of February 19, 2013

**Title:** An act relating to self-supporting, fee-based programs at four-year institutions of higher education.

**Brief Description:** Concerning self-supporting, fee-based programs at four-year institutions of higher education.

**Sponsors:** Senators Kohl-Welles, Bailey, Ranker, Hasegawa, Frockt and Murray.

**Brief History:**

**Committee Activity:** Higher Education: 2/19/13.

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Staff:** Katherine Taylor (786-7434)

**Background:** Public baccalaureate institutions in Washington offer a variety of fee-based programs that are self supporting and not funded through state funding. These programs are primarily aimed at students who would benefit from alternative delivery options such as evenings and weekends, and via distance learning. Self-supporting, fee-based programs range from the certificate level to doctorate-level programs, and are offered in a variety of disciplines.

At the University of Washington (UW), self-supporting programs are managed by the Educational Outreach program. For the 2011-2012 academic year, UW's provost permitted certain degree programs to be created or transferred to the Educational Outreach program, only if they: (1) were offered in an alternative format from an existing campus-based, daytime, full-time degree program; (2) served primarily non-traditionally aged students in undergraduate programs, professionals in master's level programs, part-time students, or international students; or (3) were new interdisciplinary programs that did not align well with exiting academic units. In 2012, UW placed a moratorium on transferring state-supported programs to fee-based, self-supporting programs. That moratorium is in place until July 1, 2015.

**Summary of Bill:** The governing board of a public baccalaureate institution must provide at least six months' notice to current and prospective students when a decision is made to change a degree program that is supported by state funding to a program that is self

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supporting and fee based. This notice must include an estimate of tuition and fees. The governing board of each public baccalaureate institution must establish a committee comprised of administrators, faculty, and students to create criteria upon which to base decisions for moving state-supported degree programs to self-supporting programs. Criteria to be considered must include, but are not be limited to, the following:

- whether moving the program to a self-supporting program will result in the loss of student financial aid;
- whether the program prepares students for careers in public service, such as public health, nursing, and librarianship, among others;
- whether the program is designed to serve professional advancement, and serves students who are already employed and on a career track; and
- the median income in the field of preparation.

The committee that creates the criteria for establishing self-supporting, fee-based programs must establish a process for moving self-supporting, fee-based degree programs that do not meet the criteria to programs that receive state funding.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** Yes.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: In the past few years, several programs, including nursing and librarianship, have seen their program tuition cost increased by 50-100 percent. Some programs do not grandfather students in. Sometimes the notice of the tuition increases are not given far enough in advance. This problem has come from state funding decreasing for higher education. Higher education funding needs to be restored. Tuition rates can swing wildly. Some students need to take out high-interest, unsubsidized loans. This bill would protect students. Some of the hurt students are the future public servants. Faculty support this bill. The students expect to pay one price and then get another price. Why should these public schools compete with private schools' prices? These tuition costs will need to be paid off over a lifetime.

CON: Self-supported, fee-based programs are created when there is not enough state funding and there is student and employer demand. We need this flexibility and without it some programs may not survive. Self support helps with programs that are off campus at Western Washington University (WWU). These programs help communities in need. We do market research and look at how much students will earn when they get out. WWU looks carefully at these programs and works with students and therefore thinks the committee in the bill is redundant. Students already in the programs are grandfathered in. UW has 62 self-sustaining programs, many are offered online. The students are given a month of notice. We do not take program transitions lightly. We are concerned with the criteria listed in the bill because it predetermines the outcome. We want the criteria to be fair and objective. We want to reduce costs around giving notice to students.

**Persons Testifying:** PRO: Melanie Mayock, Patricia Atwater, Michelle Dillon, UW Graduate and Professional Student Senate.

CON: Chris Mulick, WA State University; Sherry Burkey, WWU; Margaret Shepherd, UW.