

SENATE BILL REPORT

SB 6285

AS PASSED SENATE, MARCH 11, 1992

**Brief Description:** Making higher education tuition and fee waivers permissive.

**SPONSORS:** Senators McDonald and Niemi; by request of Governor Gardner

**SENATE COMMITTEE ON HIGHER EDUCATION**

**Staff:** Scott Huntley (786-7421)

**Hearing Dates:** February 5, 1992

**BACKGROUND:**

There are over 30 separate tuition waiver or exemption programs in operation under state law. A majority of these programs are permissive, in that they allow but do not require institutions to provide the waiver or exemption. However, 14 of these waiver or exemption programs are mandatory, specifically requiring an institution to provide such a waiver or exemption to the type of student set forth in the statute.

The amount of foregone revenue from the various tuition waiver programs in fiscal year 1993 is over \$74 million. The Higher Education Coordinating Board has recommended that the number of tuition waivers be reduced.

**SUMMARY:**

All tuition waiver and exemption programs are made permissive and variable. Institutions are allowed the option of granting waivers under any particular statutory waiver program and they are allowed to grant partial tuition waivers in the statutory tuition waiver programs.

Unless otherwise expressly provided in the omnibus state appropriations act, the total amount of operating fee revenue waived, exempt or reduced by each state institution of higher education, and the community and technical college system as a whole, is limited to a specific amount of total net operating fee revenue as set forth in the bill. These limitations apply to all tuition waiver programs adopted before or after the effective date of this act.

Until June 30, 1995, each institution, and the community and technical college system as whole, may reduce any particular tuition waiver program by no more than twice the overall waiver percentage reduction contained in the omnibus state appropriations act.

Recipients of the Washington Scholars Award and the Washington Award for Vocational Excellence who received their award prior to June 30, 1992 will continue to receive a mandatory tuition and services and activities fees waiver for as long as they are eligible for the waiver. These tuition waiver programs become permissive and variable for individuals who receive these awards after June 30, 1992.

As estimate of the operating fee revenue forecast will be included in the Governor's official revenue forecasts.

Individual institutional accounts for operating fee revenue are established within the state treasury. The accounts shall consist of all operating fees collected by each respective institution, except for the amount dedicated to the institutional long-term loan fund. Beginning July 1, 1992 all operating fee revenue transferred by the institutions to the State Treasurer are to be credited to the appropriate higher education operating fees account.

Washington State University is specifically included in the WAMI (Washington, Alaska, Montana, Idaho) medical tuition waiver program.

**Appropriation:** none

**Revenue:** yes

**Fiscal Note:** available