

HOUSE BILL REPORT

HB 2352

As Reported by House Committee On: Higher Education

Title: An act relating to institutions of higher education services and activities fees.

Brief Description: Concerning institutions of higher education services and activities fees.

Sponsors: Representatives Reykdal, Fitzgibbon, Zeiger, Kenney, Maxwell, Haler, Green, Jinkins, Sells, Moscoso, Ormsby, Pollet, Billig, Anderson, Probst, Lytton, Wylie, Ladenburg, Kelley, Angel and Hunt.

Brief History:

Committee Activity:

Higher Education: 1/18/12, 1/25/12, 1/26/12 [DPS].

Brief Summary of Substitute Bill

- Requires services and activities fees committees at institutions of higher education to post services and activities fees expenditure information on the institution's website.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Asay, Buys, Crouse, Fagan, Hasegawa, Pollet, Probst, Reykdal, Sells, Springer, Warnick, Wylie and Zeiger.

Staff: Madeleine Thompson (786-7304).

Background:

In addition to tuition fees, students at institutions of higher education are charged services and activities fees also known as "S and A" fees. These fees are dedicated to fund student activities and programs, as well as for repaying bonds and other indebtedness for facilities such as dormitories, hospitals, dining halls, parking facilities, and housing. Services and

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activities fees are not set by the Legislature, but state law requires that these fees may not increase faster than the rate of increase in tuition.

State statute directs that a services and activities fees committee at each institution of higher education has responsibility for proposing to the administration and the governing board the program priorities and budget levels for that portion of program budgets that derive from services and activities fees. The services and activities fees committee must have at least a majority of student members.

Statute also directs the governing boards of institutions of higher education to give priority consideration to the recommendations of the services and activities fees committee. Student representatives from the services and activities fees committee and representatives of the college or university administration must have an opportunity to address the board before board decisions on services and activities fees budgets are made.

The services and activities fees committee is required to evaluate existing and proposed programs and submit budget recommendations for the expenditure of those services and activities fees with supporting documents to the college or university governing board and administration. The college or university administration is required to review the services and activities fees committee recommendations and publish a written response. This written response must outline potential areas of difference between the committee recommendations and the administration's proposed budget recommendations.

Summary of Substitute Bill:

Services and activities fees committees are directed to not be limited in the program or instructional activities they consider and recommend to the governing boards and administration of their higher education institutions to preserve educational program quality and the ability of students to complete their programs of study. Clarification is provided that revenue from services and activities fees must not be used to support general salary increases and faculty salary increments.

Institutions of higher education are required to post services and activities fees expenditure information on their website. By September 30 annually, each institution of higher education, in coordination with the services and activities fees committee, must post the expenditures of services and activities fees from the previous academic year. This information must be clearly visible and easily accessible. At a minimum, the services and activities fees budget information must include all the major categories of expenditure and the amounts expended in each category.

Substitute Bill Compared to Original Bill:

Services and activities fees committees at institutions of higher education, in coordination with the administration of the higher education institutions, are required to post services and activities fees expenditure information on the institution's website. By September 30 annually, each institution of higher education, in coordination with the services and activities

fees committee, must post the expenditures of services and activities fees from the previous academic year. This information must be clearly visible and easily accessible. At a minimum, the services and activities fees budget information must include all the major categories of expenditure and the amounts expended in each category.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) We very strongly support the transparency. This is good government practice to have visibility and not have information available only on a request basis. We view services and activities fees as student money.

(In support with concerns) We want to make sure the broader definition does not allow services and activities fees revenue to supplant tuition. The transparency is a good component to mitigate that risk. We would like some kind of process on an institutional basis that is very strict.

(Opposed) None.

Persons Testifying: (In support) Representative Reykdal, prime sponsor; and Mike Reilly, Council of Presidents.

(In support with concerns) Andrew Lewis, Associated Students of the University of Washington.

Persons Signed In To Testify But Not Testifying: None.