

# HOUSE BILL REPORT

## HB 2654

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**As Reported by House Committee On:**  
College & Workforce Development

**Title:** An act relating to uniform reporting in community and technical colleges by requiring certain fiscal details to be available online.

**Brief Description:** Requiring uniform reporting of certain fiscal details by community and technical colleges.

**Sponsors:** Representatives Sells, Ybarra, Bergquist, Lovick, Santos, Ortiz-Self, Caldier, Riccelli, Entenman, Leavitt, Robinson and Ramos.

**Brief History:**

**Committee Activity:**

College & Workforce Development: 1/21/20, 1/29/20 [DPS].

**Brief Summary of Substitute Bill**

- Requires the State Board for Community and Technical Colleges to collect and report certain annual financial data for each community and technical college.

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### HOUSE COMMITTEE ON COLLEGE & WORKFORCE DEVELOPMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Hansen, Chair; Entenman, Vice Chair; Leavitt, Vice Chair; Van Werven, Ranking Minority Member; Gildon, Assistant Ranking Minority Member; Graham, Assistant Ranking Minority Member; Bergquist, Kraft, Mead, Paul, Pollet, Ramos, Rude, Sells, Slatter, Sutherland and Young.

**Staff:** Elizabeth Allison (786-7129).

**Background:**

The State Board for Community and Technical Colleges.

The State Board for Community and Technical Colleges (SBCTC) coordinates and directs Washington's 34 public community and technical colleges. The SBCTC prepares a single

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operating budget request from the Governor and Legislature that represents the needs of all community and technical colleges, then allocates the funds received from the Legislature to community and technical colleges. The SBCTC also manages and oversees tuition, fee and waiver schedules, and related policies.

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**Summary of Substitute Bill:**

The SBCTC is required to maintain annual financial information for each community and technical college. The information must include revenue, expenditure, and fund balance data. The current year budget, including tuition and fee revenue, must be reported. Historical actual expenditure detail must be reported by college for all college operating funds, including appropriated and nonappropriated funds, and must be summarized by fund and source. The fund balance for each operating fund must also be reported.

The SBCTC is required to establish guidelines to ensure consistency across colleges.

Beginning on January 1, 2021, to the maximum extent practicable, but no later than the first full quarter after a community or technical college has implemented the ctcLink system, the SBCTC is required to maintain data about each community and technical college's current budget, prior years' actual revenue, spending, and fund balances on the SBCTC's website. The data from each year must remain available on the website for five years.

**Substitute Bill Compared to Original Bill:**

The following provisions were added that:

- specify that the current year budget that must be reported for each college must be reported by fund, including tuition and fee revenue;
  - specify that the college operating funds that must be reported include appropriated and nonappropriated budgeted funds; and
  - extend the time frame for when the SBCTC must start maintaining data on its website from June 30, 2020, to beginning on January 1, 2021, to the maximum extent possible, but no later than the first full quarter after a college has implemented the ctcLink system.
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**Appropriation:** None.

**Fiscal Note:** Requested on January 16, 2020.

**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) There is difficulty in collecting certain financial information from community and technical colleges. Community and technical colleges are publicly funded and play a key role in education, but are not subject to the same reporting requirements as other institutions. Having access to certain financial information helps in contract bargaining processes by allowing bargainers to understand the financial position of colleges and facilitates trust in the bargaining process. Having access to the information will also help the Legislature make better and quicker decisions. Some financial data exists, but it is not necessarily uniform or regularly reported.

(Opposed) None.

(Other) Much of the information required by the bill is available on the SBCTC's website. Colleges are required to respond to financial requests. The timeline would only give schools a few months to implement rules and establish guidelines.

**Persons Testifying:** (In support) Simone Boe, Suzanne Southerland, and James Peyton, Washington Education Association; Sandra Toussaint, Washington Federation of State Employees; and Seamus Petrie, Washington Public Employees Association.

(Other) Cherie Berthon, State Board for Community and Technical Colleges.

**Persons Signed In To Testify But Not Testifying:** None.