

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1795 S HB	<b>Title:</b> Higher ed opportunity act
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## Estimated Cash Receipts

Agency Name	2011-13		2013-15		2015-17	
	GF- State	Total	GF- State	Total	GF- State	Total
Higher Education Coordinating Board	Non-zero but indeterminate cost. Please see discussion."					
Total \$	0	0	0	0	0	0

## Estimated Expenditures

Agency Name	2011-13			2013-15			2015-17		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of the State Actuary	.4	0	0	.4	0	0	.3	0	0
Office of Financial Management	.0	4,955	4,955	.0	0	0	.0	0	0
Higher Education Coordinating Board	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Community and Technical College System	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total	0.4	\$4,955	\$4,955	0.4	\$0	\$0	0.3	\$0	\$0

## Estimated Capital Budget Impact

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

<b>Prepared by:</b> Marc Webster, OFM	<b>Phone:</b> 360-902-0650	<b>Date Published:</b> Pending Distribution
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID 29248

FNS029 Multi Agency rollup

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1795 S HB	<b>Title:</b> Higher ed opportunity act	<b>Agency:</b> 035-Office of State Actuary
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Expenditures from:**

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.6	0.3	0.4	0.4	0.3
<b>Account</b>					
<b>Total \$</b>					

**Estimated Capital Budget Impact:**

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Trista Zugel	Phone: 360-786-7157	Date: 02/17/2011
Agency Preparation: Kelly Burkhart	Phone: 360-786-6142	Date: 03/02/2011
Agency Approval: Matthew M. Smith	Phone: 360-786-6140	Date: 03/02/2011
OFM Review: Jane Sakson	Phone: 360-902-0549	Date: 03/02/2011

Request # SHB 1795-1

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

Sections 7(8)(d), 8, and 9(1) of this bill require the Office of the State Actuary (OSA) to provide actuarial analysis, program direction, and guidance on the Guaranteed Education Tuition (GET) Program to ensure actuarially soundness of the account.

### II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

Section 10(8) of the bill authorizes OSA's reimbursement for actuarial services required under the bill through an interagency agreement with the committee on advanced tuition payments. Please see Section IIC for details on the estimated cost of services.

### II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

OSA assumes this bill will require an annual actuarial valuation, price-setting analysis each year, and attendance at GET Committee meetings. OSA will incur one-time expenses to establish the initial actuarial valuation and on-going expenses to produce annual valuations thereafter. We provide a summary of functions that produce agency expenditures below:

Establish Initial Valuation (one-time expense):

- Develop project plan
- Research and summarize GET program and plan provisions
- Research historical actuarial valuation reports
- Meetings/conference calls with GET Committee and prior actuary
- Request participant data, assumptions, and methods from historical actuarial valuations
- Request participant data for 2012 valuation
- Process and prepare participant data for valuation
- Program actuarial valuation model; test and validate (model available for future years)
- Replicate results from last actuarial valuation
- Set new assumptions and actuarial methods
- Generate 2012 actuarial valuation results; test and validate
- Create 2012 actuarial valuation report (template available for future years)
- Prepare price-setting analysis
- Prepare for and attend GET Committee meetings

On-Going Annual Valuations:

- Update actuarial valuation model for any law changes; test and validate
- Request latest participant data

- Request latest asset data
- Process and prepare participant and asset data for valuation
- Review existing actuarial assumptions and methods for reasonableness
- Run actuarial valuation model on latest data; test and validate results
- Produce actuarial valuation report
- Prepare price-setting analysis
- Prepare for and attend GET Committee meetings

OSA further assumes this bill will require one experience study every six years. OSA will incur expenses to produce the experience study in FY 2015 and every six years thereafter. We provide a summary of functions that produce agency expenditures below:

Experience Study (expense every six years):

- Develop project plan
- Develop historical plan data request
- Research external data sources
- Compile and analyze experience data
- Consult with GET staff and prior actuary (if necessary)
- Develop new assumptions
- Incorporate assumption changes into actuarial valuations
- Test and validate results
- Produce experience study report

OSA assumes this bill will also require annual actuarial analysis of proposals to change the program or associated policies, from both the GET Committee and the Legislature, utilizing the GET model. We provide a summary of functions that produce agency expenditures below:

Actuarial Analysis of Proposals Using the GET Model (on-going expense for 3 assumed pricings each year):

- Research and analyze proposal or bill language
- Modify assumptions and methods as needed
- Run GET model
- Test and validate results
- Consult with clients
- Prepare actuarial communication

The above-listed functions will increase our agency expenditures as detailed in Part III (Expenditure Detail).

### Part III: Expenditure Detail

#### III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.6	0.3	0.4	0.4	0.3
A-Salaries and Wages	70,246	34,085	104,331	91,198	68,170
B-Employee Benefits	15,289	7,510	22,799	20,137	15,020
C-Personal Service Contracts					
E-Goods and Services	7,655	3,820	11,475	10,271	7,640
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	(93,190)	(45,415)	(138,605)	(121,606)	(90,830)
9-					
<b>Total:</b>	\$0	\$0	\$0	\$0	\$0

#### III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2012	FY 2013	2011-13	2013-15	2015-17
Actuary	11,889	0.1	0.1	0.1	0.1	0.1
Administrative Assitant	5,185	0.0	0.0	0.0	0.0	0.0
Administrative Services Manager	7,628	0.0	0.0	0.0	0.0	0.0
Policy Analyst	8,010	0.0	0.0	0.0	0.0	0.0
Policy Research Services Manager	9,757	0.0	0.0	0.0	0.0	0.0
Publications Spec/Webmaster	6,575	0.0	0.0	0.0	0.0	0.0
Senior Actuarial Analyst	8,415	0.3	0.1	0.2	0.2	0.1
Senior Policy Analyst	8,845	0.0	0.0	0.0	0.0	0.0
State Actuary	14,488	0.1	0.1	0.1	0.1	0.1
<b>Total FTE's</b>	80,792	0.6	0.3	0.5	0.4	0.3

### Part IV: Capital Budget Impact

NONE

### Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1795 S HB	<b>Title:</b> Higher ed opportunity act	<b>Agency:</b> 105-Office of Financial Management
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.1	0.0	0.0	0.0	0.0
<b>Account</b>					
General Fund-State      001-1	4,955	0	4,955	0	0
<b>Total \$</b>	4,955	0	4,955	0	0

### Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Trista Zugel	Phone: 360-786-7157	Date: 02/17/2011
Agency Preparation: Stephanie Lidren	Phone: 360-902-3056	Date: 02/17/2011
Agency Approval: Aaron Butcher	Phone: 360-902-0406	Date: 02/17/2011
OFM Review: Tristan Wise	Phone: (360) 902-0538	Date: 02/20/2011

Request # 113-1

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This legislation would require the Office of Financial Management (OFM) to work with the four-year institutions of higher education to display the data collected in subsection (2) of Section 5 in a uniform dashboard format on the OFM web site by December 1, 2011. Since the higher education coordinating board would be collecting the data, it is assumed that the web reporting would require a minimal effort on the part of OFM.

### II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

### II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

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Assuming .1 FTE, forecast analyst, salary and benefits for the period July 1-December 2011 to set up the initial web reporting. After the initial report, every year after would be a simple matter of updating and those costs can be absorbed.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.1		0.0		
A-Salaries and Wages	3,970		3,970		
B-Employee Benefits	985		985		
C-Personal Service Contracts					
E-Goods and Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total:</b>	\$4,955	\$0	\$4,955	\$0	\$0

**III. B - Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

<b>Job Classification</b>	<b>Salary</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>2011-13</b>	<b>2013-15</b>	<b>2015-17</b>
Forecast analyst	95,220	0.1		0.0		
<b>Total FTE's</b>	95,220	0.1		0.0		0.0

**Part IV: Capital Budget Impact**

NONE

**Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1795 S HB	<b>Title:</b> Higher ed opportunity act	<b>Agency:</b> 343-Higher Education Coordinating Board
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**Part I: Estimates**

**No Fiscal Impact**

**Estimated Cash Receipts to:**

**Non-zero but indeterminate cost. Please see discussion.**

**Estimated Expenditures from:**

**Non-zero but indeterminate cost. Please see discussion.**

**Estimated Capital Budget Impact:**

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

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- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Trista Zugel	Phone: 360-786-7157	Date: 02/17/2011
Agency Preparation: Rick Heggie	Phone: 360-753-7891	Date: 03/03/2011
Agency Approval: Don Bennett	Phone: 360-753-7831	Date: 03/03/2011
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 03/04/2011

Request # 88-1

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

Section 2 would extend the provision of tuition increases in the omnibus appropriations act for the affected biennium.

Section 3 would require each public baccalaureate institution to provide financial aid for the express purpose of mitigating the effects of tuition increases on middle income families. This financial aid must be provided annual resident undergraduate tuition increases are over 11% for UW, WSU, and WWU and 9% for CWU, EWU, and TESC. It would also require institutions to report on the effectiveness of financial aid programs in mitigating tuition increases by August 15, 2012.

Section 4 would require institutions and the HECB to use all reasonable means of communication to include information on the lifetime learning credit as well as other relevant tax credits available to mitigate the costs of attending college. Reports will be required by institutions by November 30th, 2012.

Section 5 would require changes to accountability reporting as well as reporting of data on OFM's website.

Section 6 would require the development of criteria for the state need grant which give awards to the neediest students first, as well as taking into account the number of children in a family.

Section 7 would require the committee on advanced tuition payment to use the state actuary as need to provide program direction and guidance.

Section 8 would require the committee on advanced tuition payment to use the state actuary (previously a nationally recognized actuary) to evaluate the financial viability of the Guaranteed Education Tuition (GET) program.

Section 9 would require the committee on advanced tuition payment to use the state actuary (previously a qualified actuarial consulting firm with appropriate expertise) for planning and program design.

Section 10 would require reimbursement for services to the state actuary related to assistance to the committee on advanced tuition payments.

Section 11 would establish a baccalaureate degree innovation program wherein each four-year institution shall design performance improvement goals with the purpose of increasing access, affordability, and quality of degrees. Awards to institutions will be made from funds to be appropriated by the governor based on progress toward fulfilling established goals.

Section 13 would require public baccalaureate institutions to publish a list of recommended courses for each academic major on their web site.

Section 15 would repeal performance agreements.

## II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

Section 2 provides for increases in tuition rates, which would have a corresponding positive cash receipt impact in local tuition revenues.

Given that these increases for public baccalaureate institutions are based on provisions in biennial budget bills, future tuition rate increases are dependent on future legislative action and action by the governing boards of institutions and are subsequently indeterminate at this time.

## II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

Overall expenditure impact is indeterminate due to the inclusion of Section 3 and an indeterminate amount of tuition revenue. EXCLUDING section 3, total FY 2012 is anticipated to be at least \$40,000 primarily in staff time and benefits. Ongoing fiscal impact is anticipated to be at least \$10,000 primarily in staff time and benefits.

This fiscal note reflects fiscal impact for both the HECB and public baccalaureate institutions. Fiscal impacts are presented by bill section and agency.

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## Section 3 Fiscal Impact

### Public Baccalaureate Fiscal Impact

Given that these tuition rate increases for public baccalaureate institutions are based on provisions in biennial budget bills, future tuition rate increases and any applicable revenues generated for financial aid to the middle class are dependent on future legislative action and action by the governing boards of institutions and are currently indeterminate. Any money generated would be represented by local tuition revenue expenditures toward grants for students.

The University of Washington anticipates that additional costs will be involved to update their awarding system to incorporate awarding of additional grants based on MFI and not based on the federal calculation of expected family contribution. This one-time cost is estimated to be \$15,000 (150 programming hours at \$100 per hour). Section 3 also requires higher education institutions to report on the effectiveness of financial aid programs mitigating tuition increases. The UW estimates that the fiscal impact to conduct this report would be minimal and can be absorbed within existing workload.

HECB analysis anticipates minimal costs related to public baccalaureate institutions related to Section 3.

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#### Section 4 Fiscal Impact

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##### Public Baccalaureate Fiscal Impact

The University of Washington already has many of these measures in place. The additional time and resources used to implement additional methods and add additional information to students billing statements will be minimal and therefore have no fiscal impact.

WSU currently discloses tax credit information to students and will comply with the expanded disclosure and reporting requirements within existing resources.

HECB analysis anticipates minimal fiscal impact to public baccalaureate institutions related to Section 4 of this bill.

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#### Section 5 Fiscal Impact

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##### HECB Fiscal Impact

It is assumed that the “data recommended by a national organization” refers to the National Governor’s Association (NGA) Complete to Compete Metrics, which outline 13 measures to be measured by as many as 12 subpopulations. While HECB currently collects several of the recommended measures, data is not compiled for all measures or for most of the subpopulations recommended by the NGA. In the first year, HECB staff will need to consult with staff from the public universities and the OFM Education Research and Data Center to determine 1) what data are needed to address each metric and subpopulation; 2) where does the data currently reside; and 3) how to compile the data needed for all measures. In Year One and beyond HECB staff will collect the data needed, then analyze and report the metrics. Year One activities will require approximately .25 FTE at the Associate Director level and as well as funds for convening statewide meetings and for some travel. Year Two and beyond will require approximately .10 FTE annually for collecting, analyzing, and reporting. This is anticipated to be approximately \$25,000 in FY 2012 and \$10,000 ongoing annually.

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##### Public Baccalaureate Fiscal Impact

The University of Washington already reports on many of these items and finds the additional reporting will have no significant fiscal impact.

Washington State University anticipates the reporting requirements of Section 5, relative to common metrics will be accomplished within existing resources.

HECB analysis anticipates minimal fiscal impact to public baccalaureate institutions related to Section 5 of this bill.

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#### Section 6 Fiscal Impact

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#### HECB Fiscal Impact

This bill primarily affects the State Need Grant(SNG) program. There will be limited impact to the administrative processes of the SNG program because the primary workload is placed on the schools.

1. HECB SNG cost model will need to be adapted to accommodate the tuition and fee growth for each individual institution.
2. The HECB can collect the data on the student awards paid for tuition and fee growth above 7% up to the 125% MFI threshold through the Unit Record Report.
3. Assuming no additional workload will fall to Student Financial Assistance (SFA) there would be \$0 administrative impact to SFA resulting from this bill.

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#### Section 7, 8, 9, 10 Fiscal Impact

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#### HECB Fiscal Impact

HECB analysis assumes that the costs of incorporating the state actuary into the advisory process for the GET program will be minimal and absorbable within current resources. Given that the costs of using the state actuary are comparable to existing required use of other actuaries, HECB analysis would anticipate a minimal fiscal impact related to Sections 7, 8, 9, and 10.

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Section 11 Fiscal Impact

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Public Baccalaureate Fiscal Impact

The University of Washington anticipates no fiscal impact related to Section 11.

HECB analysis anticipates that, for public baccalaureate institutions, process savings from the repeal of performance agreements will offset any planning costs related to section 11.

Any awards based on performance improvements are based on plans yet to be determined, future performance, and the extent to which funds are appropriated for this express purpose, and as such are indeterminate.

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Section 13 Fiscal Impact

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Public Baccalaureate Fiscal Impact

The University of Washington anticipates no fiscal impact related to Section 13.

HECB analysis anticipates that, for public baccalaureate institutions, there will be minimal fiscal impact related to section 13.

**Part III: Expenditure Detail**

**Part IV: Capital Budget Impact**

NONE

**Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1795 S HB	<b>Title:</b> Higher ed opportunity act	<b>Agency:</b> 699-Community/Technical College System
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**Part I: Estimates**

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Expenditures from:**

**Non-zero but indeterminate cost. Please see discussion.**

**Estimated Capital Budget Impact:**

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

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- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Trista Zugel	Phone: 360-786-7157	Date: 02/17/2011
Agency Preparation: Arnel Blancas	Phone: 360-704-4384	Date: 02/23/2011
Agency Approval: Denise Graham	Phone: 360-704-4350	Date: 02/23/2011
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 02/23/2011

Request # -1

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

#### Section 2:

Beginning in the 2011-12 academic year, reductions or increases in full-time tuition fees shall be as provided in the omnibus appropriations act for resident undergraduate students at Community and Technical Colleges (CTCs). The State Board for Community and Technical Colleges (SBCTC) may pilot or institute differential tuition models. The board may define scale, scope, and rationale for the models.

Section 4 requires the CTCs to include information on their billing statements notifying students of tax credits available through the lifetime learning credit and other relevant tax credits available to mitigate the costs of attending college. The CTCs must use all means of communication such as web sites, online catalogues, admission and registration forms, among other methods to communicate the tax credits available to students. By November 30, 2012, the SBCTC must report to the Governor and relevant committees of the Legislature on the effectiveness and success of methods used to communicate tax credits to students.

Section 6 requires the Higher Education Coordinating Board (HECB) to consult with the SBCTC in development of the award criteria and methods of disbursement for the State Need Grant.

Section 12 allows the SBCTC to charge running start students a fee that equals 10 percent of tuition and fees as defined in RCW 28B.15.020 and 28B.15.041.

Section 14 requires the CTCs to identify and publish in their admissions materials the college-level courses that are recognized by all four-year institutions of higher education as transferring to the four-year institutions of higher education. Publication of the list of courses must be easily identified and accessible on the college's web site.

### II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

### II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

This bill allows the State Board for Community and Technical Colleges (SBCTC) to pilot or institute differential tuition models. The board may define scale, scope, and rationale for the models. This will have an indeterminate fiscal impact because the SBCTC has not approved a differential tuition model.

The CTCs must include information on their billing statements notifying students of tax credits available through the lifetime learning credit and other relevant tax credits available to mitigate the costs of attending college. The CTCs must use all means of communication such as web sites, online catalogues, admission and registration forms, among other methods to communicate the tax credits available to students. By November 30, 2012, the SBCTC must report to the

Governor and relevant committees of the Legislature on the effectiveness and success of methods used to communicate tax credits to students. This can be completed by current staff.

This bill requires the Higher Education Coordinating Board (HECB) to consult with the SBCTC in development of the award criteria and methods of disbursement for the State Need Grant. This can be completed by current staff.

This bill allows the SBCTC to charge Running Start students a fee that equals 10 percent of tuition and fees as defined in RCW 28B.15.020 and 28B.15.041. In the 2009-10 school year, the CTC system served 12,459 Running Start FTES. CTCs are currently authorized to charge fees to Running Start students. Fifteen percent of these students qualified for a fee waiver based on financial hardship. It is assumed that 85 percent, or 10,590 FTES Running Start students would be charged this additional fee. Charging these students \$284 would generate approximately \$3,000,000. This additional fee may impact Running Start enrollment so the actual amount is indeterminate.

Section 14 requires the CTCs to identify and publish in their admissions materials the college-level courses that are recognized by all four-year institutions of higher education as transferring to the four-year institutions of higher education. Publication of the list of courses must be easily identified and accessible on the college's web site. This can be completed by current staff.

### **Part III: Expenditure Detail**

### **Part IV: Capital Budget Impact**

NONE

### **Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*