Sec. 2. Section 19, chapter 412, Laws of 1987 and RCW 43.131.350 are each amended to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, ((1991)) 1996:

- (1) Section 1, chapter 412, Laws of 1987 and RCW 18.84.010;
- (2) Section 2, chapter 412, Laws of 1987 and RCW 18.84.030;
- (3) Section 3, chapter 412, Laws of 1987 and RCW 18.84.020;
- ((<del>(4)</del> Section 4, chapter 412, Laws of 1987 and RCW 18.\_\_.\_;
- (5)) Section 5, chapter 412, Laws of 1987 and RCW 18.84.040;
- ((<del>(6)</del>)) (5) Section 6, chapter 412, Laws of 1987 and RCW 18.84.050;
- ((<del>(7)</del>)) (6) Section 7, chapter 412, Laws of 1987 and RCW 18.84.060;
- ((<del>(8)</del>)) (7) Section 8, chapter 412, Laws of 1987 and RCW 18.84.070;
- (((<del>(9)</del>)) (<u>8)</u> Section 9, chapter 412, Laws of 1987 and RCW 18.84.080;
- ((<del>(10)</del>)) <u>(9)</u> Section 10, chapter 412, Laws of 1987 and RCW 18.84.090;
- ((<del>(11)</del>)) <u>(10)</u> Section 11, chapter 412, Laws of 1987 and RCW 18.84.100:
- ((<del>(12)</del>)) (11) Section 12, chapter 412, Laws of 1987 and RCW 18.84-.110; and
- ((<del>(13)</del>)) <u>(12)</u> Section 13, chapter 412, Laws of 1987 and RCW 18.84.900.

Passed the Senate February 6, 1990.

Passed the House February 27, 1990.

Approved by the Governor March 6, 1990.

Filed in Office of Secretary of State March 6, 1990.

## CHAPTER 7

[Substitute Senate Bill No. 6463]
SERVICES AND ACTIVITIES FEES BUDGETS—STUDENT PARTICIPATION

AN ACT Relating to services and activities fee programs; and amending RCW 28B.15.045.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 2, chapter 80, Laws of 1980 as amended by section 2, chapter 91, Laws of 1986 and RCW 28B.15.045 are each amended to read as follows:

The legislature recognizes that institutional governing boards have a responsibility to manage and protect institutions of higher education. This responsibility includes ensuring certain lawful agreements for which revenues from services and activities fees have been pledged. Such lawful agreements include, but are not limited to, bond covenant agreements and other contractual obligations. Institutional governing boards are also expected to protect the stability of programs that benefit students.

The legislature also recognizes that services and activities fees are paid by students for the express purpose of funding student services and programs. It is the intent of the legislature that governing boards ensure that students have a strong voice in recommending budgets for services and activities fees. The boards of trustees and the boards of regents of the respective institutions of higher education shall adopt guidelines governing the establishment and funding of programs supported by services and activities fees. Such guidelines shall ((spell out)) stipulate procedures for budgeting and expending services and activities fee revenue. Any such guidelines shall be consistent with the following provisions:

- (1) Student representatives from the services and activities fee committee and representatives of the college or university administration shall have an opportunity to address the board before board decisions on services and activities fee budgets and dispute resolution actions are made;
- (2) Members of the governing boards shall adhere to the principle that services and activities fee committee desires be given priority consideration on funding items that do not fall into the categories of preexisting contractual obligations, bond covenant agreements, or stability for programs affecting students;
- (3) Responsibility for proposing to the administration and the governing board program priorities and budget levels for that portion of program budgets that derive from services and activities fees shall reside with a services and activities fee committee, on which students shall hold at least a majority of the voting memberships, such student members ((to)) shall represent diverse student interests, and shall be recommended by the student government association or its equivalent. The chairperson of the services and activities fee committee shall be selected by the members of that committee. The governing board shall insure that the services and activities fee committee provides an opportunity for all viewpoints to be heard at a public meeting during its consideration of the funding of student programs and activities.
- (((2))) (4) The services and activities fee committee shall evaluate existing and proposed programs and submit budget recommendations for the expenditure of those services and activities fees with supporting documents simultaneously to the college or university ((administration, and shall submit informational copies of such to the)) governing board and administration.
- (((3))) (5) The college or university administration shall review the services and activities fee committee budget recommendations and publish a written response to the services and activities fee committee ((recommendations)). This response shall outline potential areas of difference between the

committee recommendations and the administration's proposed budget recommendations. This response, with supporting documentation, shall be submitted to the services and activities fee committee ((and the governing board)) in a timely manner to allow adequate consideration.

- (((4))) (6)(a) In the event of a dispute or disputes involving the services and activities fee committee recommendations, the college or university administration shall meet with the services and activities fee committee in a good faith effort to resolve such dispute or disputes prior to submittal of final recommendations to the governing board.
- (((5) Before adoption of the final budget the governing board shall address areas of difference between any committee recommendations and the administration's budget recommendations presented for adoption by the board. A student representative of the services and activities fee committee shall be given the opportunity to reasonably address the governing board concerning any such differences:
- (6))) (b) If said dispute is not resolved within fourteen days, a dispute resolution committee shall be convened by the chair of the services and activities fee committee within fourteen days.
- (7) The dispute resolution committee shall be selected as follows: The college or university administration shall appoint two nonvoting advisory members; the governing board shall appoint three voting members; and the services and activities fee committee chair shall appoint three student members of the services and activities fee committee who will have a vote, and one student representing the services and activities fee committee who will chair the dispute resolution committee and be nonvoting. The committee shall meet in good faith, and settle by vote any and all disputes. In the event of a tie vote, the chair of the dispute resolution committee shall vote to settle the dispute.
- (8) The governing board may take action on those portions of the services and activities fee budget not in dispute in accordance with the customary budget approval timeline established by the board. The governing board shall consider the results, if any, of the dispute resolution committee and shall take action.
- (9) Services and activities fees and revenues generated by programs and activities funded by such fees shall be deposited and expended through the office of the chief fiscal officer of the institution.
- (((7))) (10) Services and activities fees and revenues generated by programs and activities funded by such fees shall be subject to the applicable policies, regulations, and procedures of the institution and the budget and accounting act, chapter 43.88 RCW.
- (((8))) (11) All information pertaining to services and activities fees budgets shall be made available to interested parties.

- (((9))) (12) With the exception of any funds needed for bond covenant obligations, once the budget for expending service and activities fees is approved by the governing board, funds shall not be shifted from funds budgeted for associated students or departmentally related categories or the reserve fund until the administration provides written justification to the services and activities fee committee and the governing board, or the governing board gives its express approval((, or the recognized student governing organization gives its express approval)). In the event of a fund transfer dispute among the services and activities fee committee, the administration, or the governing board, said dispute shall be resolved pursuant to subsections (6)(b), (7), and (8) of this section.
- (((10))) (13) Any service and activities fees collected which exceed initially budgeted amounts are subject to subsections  $(1)((\frac{1}{2},\frac{1}{2},\frac{1}{2}),\frac{1}{2})$  through (10) and (12) of this section.

Passed the Senate February 8, 1990. Passed the House February 27, 1990. Approved by the Governor March 6, 1990. Filed in Office of Secretary of State March 6, 1990.

## **CHAPTER 8**

[Substitute Senate Bill No. 6594]
DEPARTMENT OF RETIREMENT SYSTEMS—ADMINISTRATION OF SYSTEMS

AN ACT Relating to administration of the department of retirement systems; amending RCW 41.50.110 and 41.40.330; adding a new section to chapter 41.50 RCW; adding a new section to Title 28A RCW; creating new sections; and repealing RCW 41.26.085.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature recognizes that:

- (1) It is important that members of the retirement system are informed about the amount of service credit they have earned. Untimely and inaccurate reporting by employers hampers the department's ability to inform members of the service credit they have earned;
- (2) Requiring a transfer of funds from the retirement accounts of members of the public employees' retirement system and the law enforcement officers' and fire fighters' retirement system to the expense funds of those systems does not represent added revenue to the systems but is instead a transfer from the trust fund to the expense fund that causes administrative costs and results in a loss to the system or to the member; and
- (3) A standardized time period for school administrator contracts and a prohibition against retroactive revision of those contracts is needed to prevent potential abuses of the average final compensation calculation process.