

## **LEGISLATIVE ADVISORY COMMITTEE TO THE GET COMMITTEE**

### **Proposal for Handling Differential Tuition -- Senator Rodney Tom, Chair**

The Legislature granted tuition-setting authority to our public, four-year institutions so that they would have greater flexibility with which to manage their campuses, particularly in light of the reductions they were experiencing in state funds. Differential tuition authority is an important part of this flexibility and an excellent tool for our institutions to expand access to high-demand fields of study so that our citizens are better prepared to meet the workforce demands of the state. However, given the concerns of the impact differential tuition will have on the GET Program, the Legislature disallowed the authority via a budget proviso for the 2011-13 biennium.

The state established the GET Program to help make higher education more affordable and accessible to all citizens of the state. Furthermore, the state has a contractual obligation to individuals enrolled in the GET Program. With the current \$631 million unfunded liability, the Legislature also has a responsibility to ensure that any modifications in law do not worsen this existing unfunded liability and require additional funds from taxpayers of the state.

This proposal aims to strike a balance between the needs of our public institutions and achieving fiscal responsibility in the management of the unfunded liability of the GET Program.

#### **Proposal**

- Allow institutions (including branch campuses) to implement differential tuition, provided that the rate of tuition and fees that includes differential tuition does not exceed the highest level of non-differentiated resident undergraduate tuition and fees upon which the value of a GET unit is established. (Modified Option D)

#### **Benefits**

- Allows institutions to maintain the flexibility they desire to charge differential tuition rates, with some restrictions
- Does not negatively impact the existing unfunded liability of the GET program
- Maintains a higher education investment vehicle for Washington state citizens