

Multiple Agency Fiscal Note Summary

Bill Number: 2164 HB	Title: Postsecondary ed protections
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Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Student Achievement Council	Non-zero but indeterminate cost and/or savings. Please see discussion.											
University of Washington	Fiscal note not available											
Washington State University	Fiscal note not available											
Eastern Washington University	Fiscal note not available											
Central Washington University	Fiscal note not available											
The Evergreen State College	Fiscal note not available											
Western Washington University	Fiscal note not available											
Community and Technical College System	Fiscal note not available											
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Student Achievement Council	.0	0	0	.0	0	0	.0	0	0
University of Washington	Fiscal note not available								
Washington State University	Fiscal note not available								
Eastern Washington University	Fiscal note not available								
Central Washington University	Fiscal note not available								
The Evergreen State College	Fiscal note not available								
Western Washington University	Fiscal note not available								
Community and Technical College System	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Brian Fechter, OFM	Phone: (360) 688-4225	Date Published: Preliminary 1/17/2024
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Individual State Agency Fiscal Note

Bill Number: 2164 HB	Title: Postsecondary ed protections	Agency: 340-Student Achievement Council
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

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:	Phone:	Date: 01/10/2024
Agency Preparation: Sam Loftin	Phone: 360-753-7866	Date: 01/17/2024
Agency Approval: Brian Richardson	Phone: 360-485-1124	Date: 01/17/2024
OFM Review: See OFM Note	Phone:	Date: 01/17/2024

Part II: Narrative Explanation

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

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

HB 2164 establishes multiple amendments to the Degree-Granting Institutions Act (Act), Chapter 28B.85 RCW.

Section 1(a)(iv) requires that any exemption to the accreditation requirement for degree-granting institutions shall not reduce student consumer protections or the regulatory authority of the Washington Student Achievement Council (WSAC) to enforce provisions of the Act.

Section 1(c) enacts additional requirements related to Washington's participation in interstate reciprocity agreements that allow out-of-state institutions to operate in Washington. This section would require such reciprocity agreements to permit WSAC to maintain authority to investigate the complaints of students who reside in Washington; to maintain surety or bond requirements that are commensurate with those required for institutions authorized to operate in Washington; and to require disclosures related to an institution's provisional status, eligibility for federal or state financial aid programs, or maintenance of accreditation requirements to students or prospective students residing in Washington.

Section 1(2) limits the financial disclosures provided to WSAC that are subject to public disclosure.

Section 2(7) prevents the reduction of surety bonds based on whether an institution is located outside of Washington State.

Section 3(1) expands the circumstances for which students may file complaints related to their enrollment at authorized institutions.

Section 3(4) requires institutions to disclose information about students' rights and how to contact WSAC to file a complaint. It also precludes WSAC from delegating its authority to resolve complaints submitted by Washington State residents to another state.

Section 4(1)(b) eliminates the recognition that Washington's participation in interstate reciprocity agreements does not constitute a delegation of WSAC's authority to ensure compliance with the Act or its authority to respond to student complaints.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipts are indeterminate. Washington currently participates in the State Authorization Reciprocity Agreement (SARA), which is intended to provide states a mechanism to achieve their state authorization objectives as it relates to out-of-state institutions that enroll students located in their states in distance education courses or programs. There are approximately 2,400 institutions that participate in SARA across 49 member states.

If the bill were to impact Washington's participation in SARA, WSAC would need to authorize significantly more out-of-state institutions that enroll Washington students or develop a revised process to provide oversight of out-of-state institutions that offer distance education programs to Washingtonians. Institutions that submit applications for authorization are required to submit application fees for initial authorization and renewal of authorization on a biennial basis.

However, because the specific impacts of the bill are unknown, it is unclear whether it would result in the generation of additional fee revenue.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Expenditures are indeterminate. If the bill impacts Washington’s participation in SARA, WSAC may require additional resources to provide oversight of significantly more out-of-state institutions. However, the bill’s impact on Washington’s SARA participation, and the potential scope of that impact, are unclear.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.
NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.
NONE

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.