Major bills affecting higher education still pending in Legislature

BY BILL NEVIN

Measures that would close, merge or privatize at least two of the state’s colleges or universities and cap yearly tuition increases for in-state students are among those still pending as the 2003 legislative session heads down the home stretch. The budget bill for next fiscal year—typically one of the last items to be decided by lawmakers—also looms.

“What happens with these pieces of legislation is still up in the air at this point,” said Dave Miller, special assistant to WVU President David C. Hardesty and the University’s chief legislative liason. “Needless to say, we’ll be watching these bills very carefully.

The measure calling for the Higher Education Policy Commission (HEPC) to study and then recommend the closure, merger or privatization of at least two colleges or universities by Dec. 31 passed the House of Delegates during the first week of the session, but has been slowed in the Senate. Legislation capping tuition increases at three to five percent for most colleges and universities also has passed the House and sits in a Senate committee.

Also yet to be voted on by legislators is the FY2004 state spending bill. Gov. Wise has proposed over $200 million dollars in cuts, including more than $50 million for higher education.

“Just on WVU’s main campus, we’re preparing for cuts of $25 million to $30 million,” said Scott Kelley, vice president for administration, finance and human resources. “We’re hoping to absorb that cut through attrition and hiring freezes, administrative efficiencies, consolidation, reorganization and tuition increases.

Not only would WVU’s base budget be cut by 10 percent under Gov. Wise’s proposal, but personal services and employee benefits would be cut by three percent and the University would have to absorb increases in employer’s health insurance premiums, liability insurance and medical malpractice insurance.

Kelley said layoffs would be an absolute “last resort.”

“A lot will depend on what happens with the tuition cap legislation,” Kelley said. “If we are limited to a three percent increase in the fall, it will be extremely difficult to make these kinds of reductions without affecting personnel.”

The University believes it can endure the cuts without layoffs if tuition can be raised by 9.5 percent—the yearly maximum established by HEPC—coupled with enrollment growth and streamlining campus operations. With applications and acceptances running ahead of last year’s numbers, WVU officials predict the main campus could grow another 1,000 students.

Facing a 13 percent reduction of expenditures amounting to some $25 million to $30 million, plus increasing costs of insurance and declining reimbursements for academic medicine, Hardesty called for the following “straightforward” strategies:

* Keep enrollment growth strong. With applications and acceptances running ahead of last year’s numbers, Hardesty predicted the main campus could grow another 500-1,000 students.

* Seek tuition and fee increases of 9.5 percent, about $155 each semester for in-state students—a figure Hardesty said is “manageable” with the success of various WVU scholarship programs and the state’s investment in both merit-based and need-based programs. While the increase would be more significant for non-residents, he noted WVU is still considered one of the top 100 “best buys.”

* Seek financial funding for health sciences programs as well as medical malpractice reform.

* Pursue legislation that gives WVU flexibility to act quicker to meet the demands of the financial crisis and achieve more flexibility in operating procedures, thus achieving more efficiencies.

* Streamline campus processes through consolidation, standardization, mergers and other cost-saving measures. Achieving a closer relationship with Potomac State College is one possible step that could save both campuses money and time, he said.

* Seek financial funding for health sciences programs as well as medical malpractice reform.