
HOUSE BILL 1422

State of Washington 58th Legislature 2003 Regular Session

By Representatives Pflug, Jarrett, Priest, Morris, Cox, Skinner and McDonald

Read first time 01/24/2003. Referred to Committee on Higher Education.

1 AN ACT Relating to focusing public investment in higher education
2 on priority academic disciplines; amending RCW 28B.80.330; adding a new
3 section to chapter 28B.80 RCW; creating new sections; providing an
4 expiration date; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that taxpayer
7 support of higher education represents an investment in the economic
8 and social vitality of Washington state over the long term. Benefits
9 from higher education accrue both to the individuals who choose to
10 pursue higher learning and to society at large through improving our
11 schools, our businesses, and our communities.

12 (2) However, the legislature also finds that public financial
13 resources will always be in more limited supply than the demands placed
14 upon them. Increasingly, taxpayers expect a clear connection between
15 the investment of public funds and the benefits society gains as a
16 result.

17 (3) Therefore, it is the policy of the state that a greater focus
18 of the public investment in higher education be to support educational
19 and degree programs in priority academic disciplines. Priority

1 academic disciplines are those that prepare individuals for occupations
2 necessary for the state's overall economic and social well-being over
3 the medium and long term. Beginning with the 2003-2005 biennium, it is
4 the intent of the legislature to begin implementation of this policy at
5 the four-year institutions of higher education through the state funds
6 appropriated to each college and university. Thereafter, the
7 legislature intends to create an ongoing process for reprioritization
8 of the public investment in higher education.

9 **Sec. 2.** RCW 28B.80.330 and 1997 c 369 s 10 are each amended to
10 read as follows:

11 The board shall perform the following planning duties in
12 consultation with the four-year institutions, the community and
13 technical college system, and when appropriate the work force training
14 and education coordinating board, the superintendent of public
15 instruction, and the independent higher educational institutions:

16 (1) Develop and establish role and mission statements for each of
17 the four-year institutions and for the community and technical college
18 system;

19 (2) Identify the state's higher education goals, objectives, and
20 priorities;

21 (3) Prepare a comprehensive master plan which includes but is not
22 limited to:

23 (a) Assessments of the state's higher education needs. These
24 assessments may include, but are not limited to: The basic and
25 continuing needs of various age groups; business and industrial needs
26 for a skilled work force; analyses of demographic, social, and economic
27 trends; consideration of the changing ethnic composition of the
28 population and the special needs arising from such trends; college
29 attendance, retention, and dropout rates, and the needs of recent high
30 school graduates and placebound adults. The board should consider the
31 needs of residents of all geographic regions, but its initial
32 priorities should be applied to heavily populated areas underserved by
33 public institutions;

34 (b) Recommendations on enrollment and other policies and actions to
35 meet those needs;

36 (c) Guidelines for continuing education, adult education, public
37 service, and other higher education programs;

1 (d) Mechanisms through which the state's higher education system
2 can meet the needs of employers hiring for industrial projects of
3 statewide significance;

4 (e) Recommendations developed by the expert committee under section
5 3 of this act for focusing the public investment in higher education on
6 support of student enrollment in priority academic disciplines.

7 The initial plan shall be submitted to the governor and the
8 legislature by December 1, 1987. Comments on the plan from the board's
9 advisory committees and the institutions shall be submitted with the
10 plan.

11 The plan shall be updated every four years, and presented to the
12 governor and the appropriate legislative policy committees. Following
13 public hearings, the legislature shall, by concurrent resolution,
14 approve or recommend changes to the initial plan, and the updates. The
15 plan shall then become state higher education policy unless legislation
16 is enacted to alter the policies set forth in the plan;

17 (4) Review, evaluate, and make recommendations on operating and
18 capital budget requests from four-year institutions and the community
19 and technical college system, based on the elements outlined in
20 subsections (1), (2), and (3) of this section, and on guidelines which
21 outline the board's fiscal priorities. These guidelines shall be
22 distributed to the institutions and the community college board by
23 December of each odd-numbered year. The institutions and the community
24 college board shall submit an outline of their proposed budgets,
25 identifying major components, to the board no later than August 1st of
26 each even-numbered year. The board shall submit recommendations on the
27 proposed budgets and on the board's budget priorities to the office of
28 financial management before November 1st of each even-numbered year,
29 and to the legislature by January 1st of each odd-numbered year;

30 (5) Institutions and the state board for community and technical
31 colleges shall submit any supplemental budget requests and revisions to
32 the board at the same time they are submitted to the office of
33 financial management. The board shall submit recommendations on the
34 proposed supplemental budget requests to the office of financial
35 management by November 1st and to the legislature by January 1st;

36 (6) Recommend legislation affecting higher education;

37 (7) Recommend tuition and fees policies and levels based on
38 comparisons with peer institutions;

- 1 (8) Establish priorities and develop recommendations on financial
- 2 aid based on comparisons with peer institutions;
- 3 (9) Prepare recommendations on merging or closing institutions; and
- 4 (10) Develop criteria for identifying the need for new
- 5 baccalaureate institutions.

6 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.80 RCW
7 to read as follows:

8 (1) In preparing the comprehensive master plan, the higher
9 education coordinating board shall convene an expert committee to
10 analyze supply and demand for college and university graduates in
11 Washington state. The committee shall be made up of labor market
12 economists, economic forecasters, business and community leaders,
13 college faculty and administrators, and other individuals with
14 experience examining local, regional, and state educational and
15 employment needs.

16 (2) Using a planning horizon of five to ten years into the future,
17 the expert committee shall examine available data regarding supply and
18 demand for college and university graduates in Washington state and
19 identify possible gaps that could be addressed by reprioritizing the
20 public funds that support higher education. Supply data includes
21 number and type of degrees awarded by public colleges and universities,
22 patterns of student enrollment in major academic disciplines, and
23 patterns of postgraduation employment by individuals previously
24 enrolled in public colleges and universities. Demand data includes
25 forecasted job openings and employer demand for college and university
26 graduates in particular occupations, both statewide and by major region
27 of the state. The committee shall also consider expert testimony,
28 business projections, economic forecasts, regional factors, and other
29 relevant information. Within available funds, the committee may
30 contract for independent research to expand the data available for its
31 consideration.

32 (3) As a result of its deliberations, the committee shall make
33 specific recommendations to expand capacity and student enrollment in
34 priority academic disciplines where the committee expects greater
35 demand than supply of qualified graduates statewide or in a major
36 region of the state. The committee shall make its recommendations
37 specific enough, including by discipline area and by institution, to

1 guide reallocation of public funds for higher education in support of
2 the priority academic disciplines. After adoption by the committee,
3 the recommendations shall become part of the state comprehensive master
4 plan for higher education.

5 NEW SECTION. **Sec. 4.** (1) Within the general fund--state
6 appropriation provided in the 2003-2005 biennial operating budget, the
7 University of Washington shall reallocate at least \$3,996,000 for
8 fiscal year 2004 and at least \$3,996,000 for fiscal year 2005 to
9 provide additional student enrollments and enrollment capacity in
10 priority academic disciplines identified in subsection (7) of this
11 section.

12 (2) Within the general fund--state appropriation provided in the
13 2003-2005 biennial operating budget, Washington State University shall
14 reallocate at least \$1,685,000 for fiscal year 2004 and at least
15 \$1,685,000 for fiscal year 2005 to provide additional student
16 enrollments and enrollment capacity in priority academic disciplines
17 identified in subsection (7) of this section.

18 (3) Within the general fund--state appropriation provided in the
19 2003-2005 biennial operating budget, Eastern Washington University
20 shall reallocate at least \$587,000 for fiscal year 2004 and at least
21 \$587,000 for fiscal year 2005 to provide additional student enrollments
22 and enrollment capacity in priority academic disciplines identified in
23 subsection (7) of this section.

24 (4) Within the general fund--state appropriation provided in the
25 2003-2005 biennial operating budget, Central Washington University
26 shall reallocate at least \$643,000 for fiscal year 2004 and at least
27 \$643,000 for fiscal year 2005 to provide additional student enrollments
28 and enrollment capacity in priority academic disciplines identified in
29 subsection (7) of this section.

30 (5) Within the general fund--state appropriation provided in the
31 2003-2005 biennial operating budget, Western Washington University
32 shall reallocate at least \$712,000 for fiscal year 2004 and at least
33 \$712,000 for fiscal year 2005 to provide additional student enrollments
34 and enrollment capacity in priority academic disciplines identified in
35 subsection (7) of this section.

36 (6) Within the general fund--state appropriation provided in the
37 2003-2005 biennial operating budget, The Evergreen State College shall

1 reallocate at least \$166,000 for fiscal year 2004 and at least \$166,000
2 for fiscal year 2005 to provide additional student enrollments and
3 enrollment capacity in priority academic disciplines identified in
4 subsection (7) of this section.

5 (7) For fiscal years 2004 and 2005, the priority academic
6 disciplines receiving the funding reallocation shall be health
7 sciences, technology, educator preparation, and engineering.
8 Washington State University may also reallocate funds to support
9 veterinary medicine. Each institution may choose how much of the
10 reallocation each priority academic discipline receives and is not
11 required to reallocate funds to every discipline.

12 (8) Within the priority academic disciplines, the institutions
13 shall focus on expanding capacity in upper division and graduate
14 courses for degrees in occupational fields where employers are
15 experiencing difficulty finding enough qualified graduates to fill
16 available jobs. The institutions shall use the reallocated funds to
17 hire additional faculty, add courses or course sections, or take other
18 actions necessary to expand enrollment capacity.

19 (9) The amounts reallocated under this section shall supplement but
20 not supplant the institutions' existing allocation of moneys from the
21 general fund--state or any other revenue source for instruction or
22 support of the priority academic disciplines.

23 (10) By December 1, 2004, the institutions shall report the results
24 of the funding reallocation to the legislature, including but not
25 limited to the number of additional students enrolled, additional
26 courses or faculty provided, and a description of the overall impact of
27 the reallocation. The reports shall provide evidence that the
28 institutions did not supplant existing funding for the priority
29 academic disciplines, but used the reallocation to expand enrollment
30 capacity.

31 NEW SECTION. **Sec. 5.** (1) A task force on reprioritizing the
32 public investment in higher education is established. The task force
33 shall consist of sixteen members, as follows:

34 (a) Two members from each major caucus of the senate, appointed by
35 the president of the senate, including one member appointed to serve as
36 cochair of the task force;

1 (b) Two members from each major caucus of the house of
2 representatives, appointed by the speaker of the house of
3 representatives, including one member appointed to serve as cochair of
4 the task force;

5 (c) Three members representing the community and technical
6 colleges, including one member representing the state board for
7 community and technical colleges, appointed jointly by the president of
8 the senate and the speaker of the house of representatives;

9 (d) Three members representing public four-year institutions of
10 higher education, including one member representing the higher
11 education coordinating board, appointed jointly by the president of the
12 senate and the speaker of the house of representatives;

13 (e) Two members representing the business community in the state,
14 appointed jointly by the president of the senate and the speaker of the
15 house of representatives.

16 (2) The task force shall examine the following issues:

17 (a) Options for funding mechanisms and processes that will
18 systematically and on an ongoing basis focus the public investment in
19 higher education to support priority academic disciplines as identified
20 by the expert committee established by this act.

21 (b) Options for phasing in the reallocation of funds toward
22 priority academic disciplines, including the feasibility of expanding
23 the reallocation process to include the community and technical
24 colleges.

25 (c) Options for ongoing monitoring and accountability of the
26 reallocation and its outcomes to ensure legislative objectives are
27 being met.

28 (3) The task force shall use legislative facilities and staff from
29 senate committee services and the office of program research. Staff
30 from the state board for community and technical colleges and the
31 higher education coordinating board shall provide additional assistance
32 and information where necessary.

33 (4) Each nonlegislative member of the task force shall be
34 reimbursed for travel expenses in accordance with RCW 43.03.050 and
35 43.03.060. With the exception of staff assistance from the state board
36 for community and technical colleges or the higher education
37 coordinating board, all expenses of the task force, including travel,
38 shall be paid jointly by the senate and the house of representatives.

1 (5) The task force shall report its findings and recommendations to
2 the legislature by December 15, 2003.

3 (6) This section expires July 1, 2004.

4 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of the
6 state government and its existing public institutions, and takes effect
7 immediately.

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