

HOUSE BILL REPORT

SSB 6655

As Passed House - Amended:

March 5, 1998

Title: An act relating to institutions of higher education.

Brief Description: Changing the Spokane intercollegiate research and technology institute.

Sponsors: Senate Committee on Higher Education (originally sponsored by Senators West and Brown).

Brief History:

Committee Activity:

Higher Education: 2/24/98, 2/26/98 [DPA];

Appropriations: 2/28/98 [DPA(HE)].

Floor Activity:

Passed House - Amended: 3/5/98, 64-30.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended. Signed by 5 members: Representatives Carlson, Chairman; Radcliff, Vice Chairman; Dunn; Sheahan and Van Luven.

Minority Report: Do not pass. Signed by 3 members: Representatives Kenney, Assistant Ranking Minority Member; Butler and O'Brien.

Staff: Sherie Story (786-7120).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Higher Education. Signed by 19 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; H. Sommers, Ranking Minority Member; Benson; Carlson; Cooke; Crouse; Dyer; Grant; Lambert; Lisk; McMorris; Parlette; D. Schmidt; Sehlin; Sheahan and Talcott.

Minority Report: Do not pass. Signed by 12 members: Representatives Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Chopp; Cody; Keiser; Kenney; Kessler; Linville; Mastin; Poulsen; Regala and Tokuda.

Staff: Mary Alice Grobins (786-7118).

Background: Over time, a number of studies have been conducted that looked at the higher education needs of the city of Spokane. The Report of the Study Committee on Coordination in Higher Education delivered to the 1985 Legislature "found a pattern of expansionism and competition among institutions in the Spokane area." The report therefore recommended the creation of "a joint center responsible for all off-campus programs offered by Washington State University (WSU) and Eastern Washington University (EWU) in Spokane." Rather than merging the governing boards as the report recommended, the 1985 Legislature created the Joint Center for Higher Education (JCHE), an entity that has become the fiscal agent for the Riverpoint Higher Education Park.

In the same legislation that created the JCHE, the 1985 Legislature also created the Higher Education Coordinating Board (HECB) as the agency "to provide planning, coordination, monitoring, and policy analysis ... represent[ing] the broad public interest above the interests of the individual colleges and universities." The HECB has not only provided and updated a master plan for higher education in Washington, it has also recommended through that planning process, the creation of branch campuses of the public research institutions "to expand upper-division and graduate educational opportunities in the state's large urban centers."

The 1989 Legislature created a number of branch campuses including the Spokane branch campus of WSU. The Spokane branch campus legislation allows for collocation of EWU in Spokane. Programs offered by all branch campuses are required to go before the HECB for approval. However, any program offered in Spokane also must seek the approval of the JCHE.

Recently, EWU has suffered a decline in enrollment and has been required to go through a special enrollment planning and HECB approval process for release of funds. The president and the provost have resigned. At the request of the Governor, the HECB has undertaken a comprehensive review of higher education opportunities in Spokane and has provided preliminary recommendations on February 13, 1998.

In 1988, the Legislature appropriated \$800,000 for the purchase of a site in Spokane for an intercollegiate institute for research and technology. In 1989, the Legislature created the Spokane Intercollegiate Research and Technology Institute (SIRTI) designed as a cooperative venture of EWU, Gonzaga University, Whitworth College, the community colleges of Spokane, and WSU. Through the SIRTI, the member institutions collaborate in the offering of education and training, applied and developmental research, and business resource and support that is specifically aimed at the economic development of the Spokane area. A \$15 million, five-year grant through the federal Advanced Research Project Agency allowed the SIRTI to launch and operate programs in manufacturing, healthcare/biomedical, and environmental technologies.

Summary of Bill: Washington State University, through the operation of its Spokane branch campus, is made responsible for ensuring the expansion of upper-division and graduate higher education programs in Spokane. Eastern Washington University is no longer collocated in Cheney and Spokane. The president of a public four-year institution is provided housing or a housing allowance only when residing in the location where the institution is designated in statute. The HECB is directed to adopt program review rules that avoid duplication and encourage collaboration between WSU and EWU in the delivery of graduate level programs in Spokane. Several assessments and plans will be delivered to the HECB and to the appropriate legislative committees.

The Joint Center for Higher Education is eliminated. The authority to approve program offerings rests with the HECB.

All of the assets at the Riverpoint Higher Education Park, with the exception of the real property designated as belonging to the Spokane Intercollegiate Research and Technology Institute, are transferred to WSU. Parking fees at Riverpoint are made the responsibility of the regents of WSU.

SIRTI is separated from the administration and oversight of the JCHE. The SIRTI building and other assets are transferred from the JCHE to the SIRTI. The Department of Community, Trade, and Economic Development (DCTED) is made responsible for contracting with the SIRTI for the expenditure of state-appropriated funds for the operation of the institute. The mission of SIRTI continues to be the performance and commercialization of research that benefits the economic vitality of eastern Washington and the Spokane area.

SIRTI continues to be operated as a multi-institutional education and research center. WSU is made the senior research partner. Research staff are provided from among the cooperating institutions through cooperative agreements. Non-state support for research activities is emphasized including the receipt of federal funds and private gifts or grants. Staff for SIRTI are employees of SIRTI. The HECB must approve the establishment of education programs and any facility acquisition.

SIRTI administration is by a board of directors including nine members representing the general public, at least six of whom have broad business experience and an understanding of high-technology, the Executive Director of the Washington Technology Institute, the Provost of Washington State University, the Provost of Eastern Washington University, the Provost of Central Washington University, the Provost of the University of Washington, an academic representative of the Spokane community colleges, and one member each representing Gonzaga University and Whitworth College.

Duties of the board of directors are defined:

- Developing operating policies;
- Appointing an executive director;

- Approving the annual operating budget of SIRTI;
- Establishing research priorities and guaranteeing the greatest potential return on the investment;
- Approving and allocating funding;
- Developing, in cooperation with DCTED, a biennial work plan and five-year strategic plan consistent with statewide technology development and commercialization goals;
- Coordinating the work of all collaborating institutions;
- Assisting DCTED in the development of state policies regarding science and technology;
- Reviewing annual reports on funded research projects;
- Providing an annual report to the Governor and the Legislature; and
- Submitting an annual report to DCTED.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 26, 1998.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed, except for Section 6, which takes effect January 1, 1999, and Section 2, which takes effect immediately.

Testimony For: (Higher Education) Washington State University (WSU) supports Senate Bills 6655 and 6717. The Higher Education Coordinating Board (HECB) should be the sole agency for planning and coordination of academic programs in Spokane. In the 1980's, branches were created. These have had a positive impact on branch communities. The Spokane economy is not doing as well as others. Bringing programs to Spokane can have a positive effect on Spokane. The planning procedures required under SB 6717 should involve the community.

These bills incorporate the recent HECB recommendations. The HECB report is needed in statute because 12 years ago a legislative study recommended merger of the Eastern Washington University (EWU) and WSU boards and the Legislature created the Joint Center for Higher Education (JCHE) instead. The HECB has insufficient authority to force institutions to implement the recommendations, that is why they need to be put in a statute. Adding a requirement for WSU to do a mission statement for WSU-Spokane would not be a problem, but it is EWU that has been adrift and needs a mission statement.

The JCHE board passed a resolution supporting SB 6655 which makes SIRTI independent. This is the model that best serves the community because under an institutional model, the institution will have an academic priority, not an economic development priority. The Spokane Area Chamber of Commerce supports the provisions of SSB 6717 as an excellent vehicle for delivering higher education in eastern

Washington. The HECB should review the higher education programs in the region and account for institutional health, student and community needs, and programmatic expertise.

The Chamber's vision for the Riverpoint campus is one of a locus for statewide research and educational excellence--a campus where all of the state's institutions of higher education offer programs reflecting particular areas of excellence, in a collaborative rather than a competitive fashion. Gonzaga University has collaborated with the other institutions through the JCHE. SB 6717 abolishes the JCHE and Gonzaga was not consulted. The bill has the Legislature taking action before the HECB studies are completed. It is premature and will lock in radical change before the Governor's 2020 Commission on Higher Education reports in October 1998. Gonzaga's contract with EWU to use the Foley Library saved the state a great deal of money. Gonzaga wants to continue this type of collaboration in Spokane.

(Appropriations) The Joint Center for Higher Education (JCHE) has been a bureaucratic obstacle to the delivery of higher education in Spokane. It has blocked 29 programs from being started and this has hurt students in that area. Washington State University (WSU) envisions a tremendous opportunity for collaboration in the delivery of higher education in Spokane.

Testimony Against: (Higher Education) Eastern Washington University (EWU) already is in the process of responding to the Higher Education Coordinating Board (HECB). These efforts will go forward without legislation. There are not problems that need legislation to solve. The legislation raises questions that don't need to be answered now. The assumption is that branch campus legislation is needed, but the model being imposed in Spokane by SB 6717 makes Washington State University (WSU) the sole provider--a better model is the one for the UW-Tacoma branch where the UW is responsible for ensuring access, not the sole provider.

EWU supports the studies assessing the higher education and economic development needs in Spokane. These should be completed before legislation is enacted. EWU accommodates 1,300 students in its Spokane facility, in a number of programs and degrees. A majority of these students live in Spokane. EWU recognizes the need to go to Spokane and offer these courses. The long term interpretation of this bill is a problem because there is no intent section identifying the capacity of higher education that EWU offers in Spokane, and the level of control WSU has over EWU programs and its students. In a worst case scenario, the HECB could send courses offered by EWU back to EWU's Cheney campus -- opening the door for WSU to offer courses in EWU's place. This limits the choice of higher education institutions for students in Spokane.

Now is not the time to shut off access to EWU for students who wish to have Spokane programs. An increase in tuition from EWU to WSU rates would drastically effect a student population of whom two-thirds receive financial aid. Eliminating the choice of

higher education in Spokane would be tragic for the community. EWU should be given the chance to evaluate its new initiatives to see if they accomplish increased enrollment. Enrollment data at the WSU branch campuses indicates that they have been met with only limited appeal. This enrollment performance does not warrant the take-over for virtually all public higher education by WSU-Spokane at the expense of EWU. The courses offered by EWU in Spokane are taught by trained full-time faculty. WSU-Spokane will, for the foreseeable future, offer their classes by either compressed video, graduate teaching assistants or untrained part-time adjunct instructors.

(Appropriations) This bill is premature. It implements changes in higher education in Spokane prior to the completion of the studies and has a significant fiscal impact. Fiscal impacts will occur due to the cost of relocating Eastern Washington University (EWU) programs and increasing student funding levels from the EWU rate to the WSU rate. The JCHE was created with its board in order to bring together the presidents of the public and private institutions and to allow institutions a way to work out problems.

Testified: (Higher Education) Senator James West, prime sponsor; Marc Gaspard, (in support); Gordon Budke, EWU trustee designate (against); Neil Zimmerman, acting EWU president (against); Mike Stewart, EWU Vice President for Finance (against); Les Purce, Vice President, WSU (in support); Frank Costello, Gonzaga University (concerns); Mac McGrath, Spokane JCHE (in support); Dan Kirschner, Spokane Area Chamber of Commerce (in support); Frank Klarich, EWU student (against); Strider Denison, EWU, vice president of the Associated Student Government (against); Jeff Corkill, president of the United Faculty of Eastern (against); and Ernie Gilmour, vice president of the United Faculty of Eastern (against).

(Appropriations) Sam Smith, President, WSU (pro); Dick Albrecht, WSU (pro); Niel Zimmerman, EWU (con); Mike Stewart, EWU (con); and Tom Parker, Gonzaga and Whitworth (concerns).