CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2111

Chapter 132, Laws of 2003

58th Legislature
2003 Regular Session

HIGHER EDUCATION PERFORMANCE CONTRACTS

EFFECTIVE DATE: 7/27/03

Passed by the House April 22, 2003
Yeas 97  Nays 0

FRANK CHOPP
Speaker of the House of Representatives

Passed by the Senate April 11, 2003
Yeas 49  Nays 0

BRAD OWEN
President of the Senate

Approved May 7, 2003.

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is SUBSTITUTE HOUSE BILL 2111 as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER
Chief Clerk

FILED
May 7, 2003 - 3:04 p.m.

GARY LOCKE
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to performance contracts between the state and institutions of higher education; creating new sections; and providing an expiration date.

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

NEW SECTION. Sec. 1. (1) The legislature finds that ten years have passed since the state attempted to redefine the relationship with its institutions of higher education based on trust, evidence, and a new alignment of responsibilities, as articulated in chapter 363, Laws of 1993.

(2) However, the legislature also finds that the intent to combine institutional flexibility and authority to make decisions at the local level with accountability for achieving statewide goals and objectives has never been fully achieved, in part because there has not been an operating mechanism through which to implement this relationship.

(3) Therefore, the legislature intends to explore opportunities to create performance contracts between the state and public institutions of higher education. It is the intent of the legislature that such a contract would constitute a negotiated agreement between the state and an institution, where the state's primary interest would lie not in the
management and operations of an institution, but in the institution's
contribution to achieving agreed-upon statewide goals and objectives
for higher education.

NEW SECTION. Sec. 2. (1) A work group on higher education
performance contracts is established. The work group shall consist of
members as follows:
(a) The members of the house and senate higher education and fiscal
committees;
(b) One representative of the higher education coordinating board,
appointed by the board;
(c) One representative of the state board for community and
technical colleges, appointed by the state board;
(d) Two representatives of public four-year institutions of higher
education, appointed by the council of presidents;
(e) Two representatives of the community and technical colleges,
appointed by the Washington association of community and technical
colleges; and
(f) One representative of the governor's office and one
representative of the office of financial management, each appointed by
the governor.
(2) The work group may invite input from other interested parties,
including but not limited to faculty and student representatives and
representatives of the business community. Within available funds, the
work group may obtain additional expertise or engage consultants if
necessary to carry out its work.
(3) The work group shall:
(a) Examine the experience of other states in developing and
implementing performance contracts with institutions of higher
education;
(b) Consider the feasibility of implementing performance contracts
in Washington;
(c) Identify whether amendments to current laws may be necessary to
implement performance contracts; and
(d) Develop guidelines and possible models for performance
contracts, including:
(i) The types of indicators and benchmarks that could be included
in a contract to measure an institution's progress in meeting the contract's objectives; and

(ii) The types of flexibility, exemptions, or commitments that could be included in a contract to reflect the state's obligation to an institution.

(4) The work group shall use legislative facilities and staff from senate committee services and the office of program research. Each nonlegislative member of the work group shall be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060. Travel expenses for the nonlegislative members shall be paid by their respective institutions or agencies.

(5) The work group shall report its findings and recommendations to the higher education and fiscal committees of the legislature by December 15, 2003.

NEW SECTION. Sec. 3. This act expires June 30, 2004.
Passed by the House April 22, 2003.
Passed by the Senate April 11, 2003.
Approved by the Governor May 7, 2003.
Filed in Office of Secretary of State May 7, 2003.