

SENATE BILL REPORT

SSB 6355

As Amended by House, March 2, 2010

Title: An act relating to expanding the higher education system upon proven demand.

Brief Description: Expanding the higher education system upon proven demand.

Sponsors: Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Kilmer, Becker, Rockefeller and Shin).

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/19/10, 1/27/10 [DPS].

Passed Senate: 2/12/10, 47-0.

Passed House: 3/02/10, 96-0.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6355 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kilmer, Chair; Kastama, Vice Chair; Becker, Ranking Minority Member; Hewitt, Jacobsen, McAuliffe, Pflug, Shin, Stevens and Tom.

Staff: Aldo Melchiori (786-7439)

Background: The 2008 Strategic Master Plan for Higher Education clearly identifies Washington's need for a higher education system capable of delivering many more degrees, especially at the baccalaureate and graduate levels. In 2009 the Legislature, faced with inconsistent information and demands regarding how to best expand the higher education system, directed the Higher Education Coordinating Board (HECB) to conduct a system design planning project with the object of defining how the current higher education delivery system could be shaped and expanded to best meet the needs of Washington citizens and businesses for high quality and accessible post-secondary education.

The HECB published the results of the system design planning project in December 2009. The System Design Plan's recommendations include: (1) making strategic use of existing capacity at the branch campuses, centers, and comprehensive institutions to broaden the geographic availability of baccalaureate education; (2) when new capacity is proposed,

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employing and expanding on demand philosophy, building it only when demand is clearly present; and (3) establishing a new Fund for Innovation, which would foster innovation and improvement statewide by providing support for strategies and programs with significant potential to help achieve Master Plan goals.

In 2005 the Legislature authorized four applied baccalaureate degree pilot programs at community or technical colleges. In 2008 the Legislature expanded the pilot project to include three additional colleges to develop and offer programs of study leading to an applied baccalaureate degree. Community and technical colleges offer eight applied bachelor degrees at seven pilot colleges.

The Washington fund for innovation and quality in higher education program is administered by the HECB and College Board to award incentive grants to public institutions of higher education or consortia of institutions to encourage cooperative programs designed to address specific system problems. Strong priority will be given to proposals that involve more than one sector of education and to proposals that show substantive institutional commitment.

Summary of Substitute Bill: Proposed changes in the missions of institutions of higher education may be identified by the HECB, any public institution or by a state or local government. A mission change is defined as a change that allows an institution of higher education to offer a new level of degree not currently authorized in statute. Major expansion means expansion of the system that requires significant new capital investment. Mission changes and major expansions are subject to approval by the HECB. Gaining HECB approval is a two-step process. First, a needs assessment process is conducted to analyze the need for the proposed change. If the need is established, the HECB proceeds to examine the viability of the proposed mission change or major expansion. The HECB's recommendations to proceed with the proposed change, proceed with modifications, or not proceed are presented to the Legislature and the Governor.

The applied baccalaureate degree is no longer a pilot project. The limitation on the number of applied baccalaureate degree programs is eliminated. Community and technical colleges may apply to the State Board for Community and Technical Colleges (College Board) to develop and offer applied baccalaureate degree programs after approval by the College Board and the HECB.

The HECB is identified as the lead entity for the innovation and quality in higher education programs and makes awards in collaboration with the College Board and other local and regional entities. Grants may be awarded to state public or private nonprofit institutions of higher education or consortia of institutions. The two-year time limitation of incentive grants is eliminated. The priority given to multiple sector education proposals is eliminated. The HECB is not required to establish review committees to assist in proposal evaluation. The superfluous guidelines applicable only to the 1999-01 biennium are eliminated.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: The purpose of this bill is to expand educational access for Washington students. We need to make strategic investments in a rational manner to meet our strategic goals. We also need to plan carefully for the shifting demographics in Washington. The bill moderates the demand for new institutions without proof of need. This bill provides a process that will help us meet the goals of the Strategic Master Plan for Higher Education. It is in the long-term interest of the state to give our resident students more educational opportunities in the state. The applied baccalaureate programs have proven their worth and should be expanded. Applied baccalaureate degrees are bringing in new students who need more than an associate degree. Applied baccalaureates in technical subjects help prepare future teachers for the trades.

OTHER: We need to focus first on preserving the outstanding institutions that we already have. The current priorities for multiple institutional programs should be preserved. The innovation fund should include private nonprofit colleges. Applied baccalaureates at private colleges should be recognized to a greater extent.

Persons Testifying: PRO: Senator Kilmer, prime sponsor; Executive Director Ann Daley, Bill Grinstein, Neil McRenolds, HECB; Ann Anderson, CWU; Madeline Thompson, Workforce Training and Education Coordinating Board; Vicki Orrico, Bellevue College; David Mitchell, Olympic College; Jan Yoshiwara, SBCTC; Laura Hopkins, AJAC; Malcolm Grothe, South Seattle Community College.

OTHER: Mike Reilly, Council of Presidents.

House Amendment(s): A major expansion is defined as one that requires significant new capital investment, including new institutions, campuses, branches, centers, or conversions of existing ones that would result in a mission change instead of a significant expansion, without necessarily a change in institutional mission. It is clarified that the evaluation of proposed major expansions is limited to the scope of the most recent strategic master plan or system design plan and that it does not include the current capital prioritization process. The priority given to proposals that involve multiple sectors is restored for the Washington Fund for Innovation and Quality program. The Office of Financial Management is required to convene a group to rank higher education capital projects in a single list by priority order. The University of Washington is authorized to use alternative contracting methods for highly specialized medical spaces. The HECB is required to consider the strategic and operational use of technology as part of the needs assessment process.