
Higher Education Committee

HB 1422

Brief Description: Focusing public investment in higher education on priority academic disciplines.

Sponsors: Representatives Pflug, Jarrett, Priest, Morris, Cox, Skinner and McDonald.

Brief Summary of Bill

- For 2003-05 requires public four-year institutions of higher education to internally reallocate operating funds toward "priority academic disciplines" such as health care, technology, and engineering.
- Creates a committee during the 2003 interim to examine ongoing processes for further reallocation.
- As part of each future master plan for higher education, requires an expert committee to review supply and demand of college graduates and identify gaps that could be addressed by reprioritizing funds.

Hearing Date: 2/12/03

Staff: Barbara McLain (786-7383).

Background:

In recent years the state has made several efforts to expand enrollment and instructional capacity at institutions of higher education in academic programs whose graduates are in high demand by the state's employers.

1999-01: As directed by the operating budget, the Higher Education Coordinating Board (HECB) allocated 550 new FTE enrollments on a competitive basis to 11 community and technical colleges and three baccalaureate institutions to create or expand programs in information technology, dental hygiene, and special education teacher training. The Legislature also appropriated \$3.5 million to expand information technology and computer science programs at public institutions.

2001-03: In the operating budget the Legislature directed the institutions to give priority to

high demand fields when allocating newly added enrollment, including technology, health professions, and education. The Legislature did not specify a number of high demand enrollment slots, and each institution's approach to this directive varied. Nearly \$5 million was set aside to create an Institute of Technology at the University of Washington-Tacoma (UW-T). Funding supported both enrollments and instructional capacity at the UW-T and 12 feeder community and technical colleges.

Governor's Proposal 2003-05: The operating budget proposed by the Governor for next biennium would direct all new enrollment (1,550 FTE slots over two years) toward high demand fields. The HECB would again use a competitive process for two and four-year institutions. The priority fields would be health services, veterinary medicine, engineering, teaching, information technology, or other proposals that meet specific regional student or employer demand.

Summary of Bill:

Legislative intent is to place a higher focus for the public investment in higher education on educational and degree programs in "priority academic disciplines." Priority academic disciplines are those that prepare individuals for occupations necessary for the state's overall economic and social well-being.

Short-Term: For fiscal years 2004 and 2005, four-year institutions must reallocate a certain amount of their general fund-state appropriation to expand enrollment capacity in priority academic disciplines. The amounts to be reallocated each fiscal year are:

University of Washington	\$3,996,000
Washington State University	\$1,685,000
Eastern Washington University	\$ 587,000
Central Washington University	\$ 643,000
The Evergreen State College	\$ 166,000
Western Washington University	\$ 712,000

For 2004 and 2005 the priority disciplines are: health sciences, technology, educator preparation, and engineering. Washington State University may also reallocate to support veterinary medicine. Institutions can choose among the disciplines and need not reallocate to each one. The reallocated funds must supplement but not supplant the institution's existing allocation of moneys for those disciplines. Institutions report the results of the funding reallocation to the Legislature by December 1, 2004.

Long-Term: As part of each comprehensive master plan for higher education, the HECB convenes an expert committee of labor market economists and forecasters, business and community leaders, and college faculty and administrators. Using a five to ten-year planning horizon, the committee uses data to analyze supply and demand for college graduates, and identify possible gaps that could be addressed by reprioritizing the public funds that support higher education. The committee makes recommendations to expand capacity and student enrollment in priority academic disciplines where it expects greater demand than supply of qualified graduates.

During the 2003 legislative interim a task force on reprioritizing public investment in higher education is created, with eight legislators, three representatives of community and technical colleges, three representatives of public four-year institutions, and two representatives of the business community.

The task force examines: a) Ongoing funding mechanisms to focus public investment on the priority academic disciplines identified in the master plan; b) Phasing in the funding reallocation over time and possibly including the community and technical colleges; and c) Options for ongoing monitoring and accountability. The task force reports its findings and recommendations by December 15, 2003.

Appropriation: None.

Fiscal Note: Requested on February 4, 2003.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.