

SENATE BILL REPORT

ESHB 2546

As Reported by Senate Committee On:
Higher Education, February 27, 2014

Title: An act relating to decodifying, expiring, and making technical clarifications to higher education provisions.

Brief Description: Decodifying, expiring, and making technical clarifications to higher education provisions.

Sponsors: House Committee on Higher Education (originally sponsored by Representatives Reykdal, Morrell, Haler, Gregerson and Manweller).

Brief History: Passed House: 2/11/14, 98-0.

Committee Activity: Higher Education: 2/25/14, 2/27/14 [DPA].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended.

Signed by Senators Bailey, Chair; Becker, Vice Chair; Kohl-Welles, Ranking Member; Baumgartner, Frockt, McAuliffe and Tom.

Staff: Eric Wolf (786-7405)

Background: General Obligation Bonds. Washington periodically issues various purpose general obligation bonds to finance projects authorized in the capital budget, including higher education facilities. General obligation bonds pledge the full faith, credit, and taxing power of the state toward payment of debt service. Legislation authorizing the issuance of bonds requires a 60 percent majority vote in both the House of Representatives and the Senate. Bond authorization legislation generally specifies the account or accounts into which bond sale proceeds are deposited, as well as the source of debt service payments. When debt service payments are due, the State Treasurer (Treasurer) withdraws the amounts necessary to make the payments from the state general fund and deposits them into bond retirement funds. The State Finance Committee, composed of the Governor, the Lieutenant Governor, and the Treasurer, is responsible for supervising and controlling the issuance of all state bonds. General obligation bonds are typically issued with 25-year maturities.

The Displaced Homemaker Program. The Displaced Homemaker Act of 1979 (Act) expanded services to displaced homemakers provided through the federal government

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program. The purpose of the Act was to establish guidelines for the State Board for Community and Technical Colleges (SBCTC) related to training, counseling, and providing services to displaced homemakers. The program has not been funded since 2011.

The Project Even Start Program. Project Even Start was established to help facilitate the expansion of services provided through the federal Even Start Family Literacy Program that was first authorized in 1988 to provide literacy and basic skills training to parents through community and technical colleges. The program was established to provide illiterate or semiliterate parents with opportunities to acquire basic skills and child development knowledge to enhance their ability to support their children's acquisition of reading and learning skills. The program does not receive funding from the state.

Higher Education Budget Calculations. Legislation enacted in 1993 set out a state policy directing that the essential requirements level budget calculations for institutions of higher education must include enrollment levels necessary to maintain, by educational sector, the participation rate funded in the 1993 fiscal year. The participation rate is based on the state's estimated population, ages 17 and above, by age group. Budget calculations for financial aid were similarly directed to be based on 1993 participation rates.

The Educational Assistance Grant Program. The Educational Assistance Grant Program was created in 2003 for students with dependents subject to the availability of receipts of gifts, grants, or endowments from private sources. Since 2003 no gifts, grants, or endowments have been provided for this purpose.

Technical College Districts and Boards. The Community and Technical College Act of 1991 transferred vocational-technical institutes, now known as technical colleges, from the common school system to the higher education system. State law provides direction for the use of shared facilities between vocational-technical institutes (technical colleges) and common schools until such a time as one of the programs could be removed from the facility. Direction was also provided assigning certain vested interests to either school district boards or technical college boards.

State law specifies names, districts, and membership for boards of trustees for each technical college. Districts and membership for boards of trustees are also provided in statutes pertaining to both community colleges and technical colleges.

Auto-Immune Deficiency Syndrome (AIDS) Information. Legislation related to disseminating information on AIDS was enacted in 1987. Under state law, SBCTC is required to make information available to all newly matriculated students on methods of transmission and prevention of AIDS.

The High School Completion Pilot Program. Legislation enacted in 2007 created a pilot program for two community or technical colleges to make courses or a program of study available, on the college campus, to high school students who complete their high school graduation requirements. The pilot was designed to enable students under the age of 21 who have completed all state and local high school graduation requirements, except the certificate of academic achievement or certificate of individual achievement, to complete their high school education and obtain a high school diploma.

The Washington Scholars Program. The Washington Scholars Program recognizes the accomplishments of four high school seniors from each of the state's 49 legislative districts. Eligible students must be nominated by their school principal and rank in the top 1 percent of their graduating senior class to receive state scholarships for up to four years. The scholarships can be used at any of Washington's public or private colleges or universities. Funding for the program was suspended in the 2011-13 biennial budget, though scholars selected in earlier years continue to receive their awards. In the 2011-13 biennium, recipients received honorary recognition-only certificates.

The Council of Presidents (COP). COP is an association of Washington's six public baccalaureate institutions. Membership includes the presidents of each institution, and the chair of the council annually rotates among its member institutions. COP provides coordination for a number of initiatives and activities common to the public baccalaureate institutions.

Summary of Bill (Recommended Amendments): Statutes pertaining to general obligation bonds issued for higher education projects that have matured are decodified.

The following statutes are set to expire on July 1, 2014:

- the Act;
- the Project Even Start program;
- a statute requiring institutions of higher education to develop a system for personal identifiers;
- enrollments and financial aid budget calculations based on 1993 participation rates;
- the Educational Assistance Grant;
- naming provisions for technical colleges, assignments of technical colleges to certain districts, and provisions creating boards of trustees for each technical college;
- statutes that transfer technical colleges from the common school system to the higher education system;
- a provision requiring the revision of the Washington Mathematics Placement test;
- the Opportunity Express website;
- a statute requiring institutions to make available to all newly matriculated students information on methods of transmission and prevention of AIDS; and
- the high school completion pilot program.

A provision authorizing tuition waivers for recipients of the Washington Scholars Award in years prior to 1994 are removed. Grants will continue to be awarded to eligible recipients in future years when the program is funded.

Technical clarifications are made throughout statute; the term COP is replaced with a representative for the state universities, regional universities, and state college as defined in RCW 28B.10.016.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION COMMITTEE (Recommended Amendments): Where the term COP was amended in the bill to read a "representative of four-year institutions of higher education" it is now amended to read a

"representative for the state universities, regional universities, and state college" as defined in RCW 28B.10.016.

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 Engrossed Substitute House Bill: PRO: The prime sponsor and stakeholders combed the higher education statutes for language that is obsolete or no longer funded. An effort was made to ensure that the changes made by the bill are technical and do not change policy. Because COP is a private, nonprofit entity, the specific references to COP in statutes are being changed to nonspecific references that are understood to mean COP.

Persons Testifying: PRO: Representative Reykdal, prime sponsor.