

SENATE BILL REPORT

ESSB 5184

AS PASSED SENATE, MARCH 19, 1991

Brief Description: Creating a work force training and education coordinating board, and combining community and vocational-technical schools under one agency.

SPONSORS: Senate Committee on Higher Education (originally sponsored by Senators Saling, Bauer, Thorsness, Jesernig, Stratton, Talmadge and Snyder; by request of Governor Gardner).

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 5184 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Saling, Chairman; Bauer, Jesernig, Stratton, and von Reichbauer.

Minority Report: Do not pass.

Signed by Senators Bluechel, Cantu, and Skratek.

Staff: Jean Six (786-7423)

Hearing Dates: February 14, 1991; February 18, 1991; February 21, 1991; February 28, 1991

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5184 as recommended by Committee on Higher Education be substituted therefor, and the substitute bill do pass.

Signed by Senators Bailey, Bauer, Hayner, L. Kreidler, Matson, Murray, Newhouse, Rinehart, Saling, L. Smith, Talmadge, West, and Williams.

Minority Report: Do not pass.

Signed by Senators Craswell, Vice Chairman; Bluechel, Cantu, Johnson, Metcalf, and Wojahn.

Staff: Linda Brownell (786-7715)

Hearing Dates: March 8, 1991; March 11, 1991

HOUSE COMMITTEE ON HIGHER EDUCATION

BACKGROUND:

A number of studies have concluded that changes are necessary in both state and national policy to improve workforce education and training. The United States Department of Labor's 1987 study, "Workforce 2000," pointed to the

demographic shifts that will mean greater diversity in the workforce and a requirement for the workforce as a whole to be more highly trained. "Washington Works Worldwide," the 1988 report of the Washington Economic Development Board, pointed to the critical need for a well-trained workforce in terms of the state's competition in a global economy. In June of 1990, the National Center on Education and the Economy's Commission on the Skills of the American Workforce produced a report, "America's Choice: High Skills or Low Wages," which underscores the work of the preceding reports and makes a number of bold recommendations for change. Basic to the conclusions of this report is the belief that the organization of work must move beyond the mass production model.

As the citizens of Washington move into the next century, they will require technical skills and vocational training as well as critical thinking skills if they are to help the state compete in that global economy. The Governor's Advisory Council on the Investment in Human Capital was created in 1990. The primary mission is to improve state policies for workforce education and training to meet shifting demographic and economic imperatives. Due to legislative concern about the fragmentation of the training system, the council was asked to recommend an agency to govern all postsecondary vocational education and the first two years of higher education not under the jurisdiction of a four-year college or university.

In 1990 the Office of Financial Management (OFM) was directed to administer a study of the state's training and retraining system that would provide the supporting data for the council's recommendations. Among the findings of the study are the following conclusions:

- (1) The workforce is changing. It is growing more slowly and contains fewer young people. In addition, 40 percent of the net increase in Washington's workforce between now and 2010 will come from minority populations and approximately 53 percent will be women.
- (2) A shortage of well-trained workers is already hurting the state.
- (3) Many employers are unsatisfied with employee skills--both basic and technical. Eighty percent of all firms that hire workers with specialized technical skills have had difficulty finding qualified workers.
- (4) The level of training that is most needed is vocational/technical training.
- (5) Needs of target populations are not being met: functionally illiterate; dislocated workers; economically disadvantaged; people with disabilities; minority population.

- (6) More support services are needed, including but not limited to day care, financial aid, career counseling, etc.
- (7) The private sector alone cannot provide worker training. One-half of employers report lack of resources to provide training.
- (8) Public programs are fragmented. Accountability and responsibility cannot be placed in one agency. Poor data collection is a problem for both business and labor. There are no common definitions for data collection or other purposes.
- (9) Vocational education has a poor image in the United States. European models provide educational standards that all students must meet. Work-based learning of the apprenticeship-type has proven effective.

The Governor's Advisory Council on the Investment in Human Capital made recommendations covering nine major areas. These include creating a coordinating structure for vocational training, improving accountability, consolidating governance of programs for the adult workforce, and expanding apprenticeship programs. The council also recommended enhancing the following: literacy and basic skills programs, K-12 workforce programs, access to and funding for training programs, and efforts to recruit and train workers from diverse ethnic and cultural backgrounds.

SUMMARY:

The Workforce Training and Education Coordinating Board is created as the successor agency to the State Board for Vocational Education. The new board will have nine voting members. Six members, three each from business and labor, will be selected by the Governor. The Superintendent of Public Instruction, the Executive Director of the State Board for Community College Education, and the Commissioner of the Department of Employment Security will be ex-officio voting members. One nonvoting member will be selected to represent minorities, women, and people with disabilities.

The director of the board is selected by the Governor, and will serve at the Governor's pleasure. The director will serve as the nonvoting chair of the board. The director will select the nonvoting board member and the board's staff. However, the director will use staff of existing operating agencies to the fullest extent possible.

With the exception of duties related to apprenticeship programs, the board will continue to ensure that the duties currently performed by the State Board for Vocational Education are carried out. In addition, the board will establish and maintain an inventory of training programs, and will develop and maintain a comprehensive plan. The board will recommend operating and capital budget requests for the

operating agencies of the training system. The board will also recommend core and basic skill competencies.

The board will provide system coordination, and will establish standards for data collection and program evaluation. The board will also periodically assess the progress of women and minorities, and will evaluate the training system every two years. In addition, the board will provide for the development of common course description formats, facilitate transfer of credit policies and agreements, and facilitate the adoption and placement of a number of programs and services.

Classified staff from the State Board for Vocational Education are transferred to the Workforce Training and Education Coordinating Board. The coordinating board is responsible for administering the Private Vocational School Act.

Three primarily advisory bodies required by various federal laws are statutorily created. These include the Washington State Job Training Coordinating Council, the Washington State Council on Vocational Education, and the Washington Advisory Council on Adult Education. Existing members of the coordinating council and the state council will continue to serve until the Governor appoints new members on July 1, 1991. One service delivery area (SDA) administrator and one private industry council (PIC) representative shall be included on the state job training coordinating council. The Governor will also appoint the members of the advisory council.

The State Board for Community College Education is renamed the State Board for Community and Technical Colleges. The state board shall consist of nine rather than eight members. The State Board for Community and Technical Colleges shall have one member from each congressional district.

The five vocational-technical institutes under the jurisdiction of the common school system are renamed and transferred to the State Board for Community and Technical Colleges. A separate five-member board of trustees is created for each of the five technical colleges: Bates Technical College, Clover Park Technical College, Bellingham Technical College, Lake Washington Technical College and Renton Technical College. Each board shall have two representatives of business--one from small business (1-49 employees) and one from larger business (50+ employees)--two representatives of labor, and one representative of the community.

The technical colleges shall maintain programs solely for occupational education, basic skills and literacy. They may grant nonbaccalaureate associate of technical arts degrees, certificates or diplomas for occupational courses of study. Occupational education is further defined to mean training for supplemental and advancement skills, and includes home and family life education. The technical colleges are allowed to continue offering the same programs, activities and services that vocational-technical institutes (VTIs) offered during the period from July 1, 1990 to June 30, 1991.

School districts sending students to the vocational-technical institutes may continue to send students to the technical colleges. High school students shall continue to be served by the vocational/technical institute in the same proportion as in school year 1989-90. The technical colleges may offer high school level nonvocational courses. Technical colleges may enroll students who are 16 and 17 years of age. When the vocational technical colleges move into the higher education system, students with disabilities are provided the same protections and guarantees as in the common school system.

The presidents of the technical colleges will report to the Director of the State Board for Community and Technical Colleges or to the director's designee until local control is assumed by a governing board.

All personnel from the institutes are transferred to the new system. Technical college faculty shall become subject to the tenure, benefit, and collective bargaining laws governing community college faculty. Classified staff of the technical colleges shall remain under the state personnel system. Classified staff and faculty of the VTIs are protected as administrative control is assumed by the system of community and technical colleges. Common schools used temporarily during school construction and remodeling are exempt from transfer to the State College Board.

For up to two years, the technical colleges shall continue to keep tuition and fees. The state board will determine whether tuition statutes and rules apply to the technical colleges. A division of technical colleges is established within the office of the State Board for Community and Technical Colleges. The division shall report to the director or deputy director of the state college board.

Playgrounds will continue to be available for use.

With the exception of the Even Start program, all adult education functions of the State Board of Education and the Superintendent of Public Instruction are transferred to the State Board for Community and Technical Colleges. All personnel performing those functions are also transferred.

The State Office of Adult Basic Skills and Literacy Education is established within the State Board for Community and Technical Colleges. Personnel in the state office will administer programs for basic skills and literacy.

Statutes pertaining to the Washington Institute of Applied Technology are repealed. The institute is renamed the Seattle Vocational Institute. The powers, duties, and functions of the Institute are transferred to the Seattle Community College District. The transfer of personnel shall be determined.

The mission of the institute is clarified. The institute shall serve economically disadvantaged populations in the urban areas served by the Seattle Community College District.

Funding for the institute shall be provided in a separate budget allocation to the college district.

The Seattle Community College District shall conduct a survey of facilities and equipment needed by the institute. By December 1, 1991, the District will present its findings to the State Board for Community and Technical Colleges. The state board will include the survey in its supplemental budget request. The Legislature is directed to consider a supplemental budget appropriation based on the survey.

For up to two years, the institute may continue to keep tuition and fees. In addition, the Seattle District may provide waivers and scholarships for students at the institute. The district is not permitted to hire instructional staff or faculty for the institute. Other staff hired for the first two years are exempt from statutes pertaining to civil service, state benefits, tenure, and collective bargaining.

With the assistance of the Workforce Training and Education Coordinating Board, the Superintendent of Public Instruction is directed to develop and distribute model curriculum integrating vocational and academic education at the secondary level.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR (Higher Education):

The state's training system is fragmented, uncoordinated, and not always responsive to the changing needs of business and labor. Changes in demographics and in the economic and social needs of the state require the reform and restructuring of that training system. The focal point of that reform is the improved coordination of the training system that will result from the creation of a coordinating board. The restructuring of the system that will result when adult education programs are consolidated in the community college system will significantly strengthen both literacy programs and the training system. The system will also be strengthened by expansion of apprenticeship training opportunities.

This legislation will expand the training opportunities available in the community college system, and will direct that system to take training issues much more seriously. By making vocational-technical institutes into institutions of higher education, students will have an improved opportunity to access both federal financial aid and the technical degrees desired by many employers.

TESTIMONY AGAINST (Higher Education):

The vocational-technical institutes (VTIs) have a unique and effective method of delivering vocational and technical education. That unique quality may be threatened by their consolidation with the community colleges. The VTIs may become lost in the new system. One piece of evidence: the community colleges have de-emphasized vocational education in recent years. Citizens of local communities have helped pay for VTI facilities using local levy funds. If the VTIs are part of the community college system, that method of funding will be lost. VTIs will have to compete with community colleges for construction funds. In addition, construction money from the common school construction fund may need to be repaid.

TESTIFIED (Higher Education): Marian Svinth, Larry Stanley, Advisory Council on the Investment in Human Capital (pro); Stan Marshburn, Bryan Wilson, OFM (pro); Judith Billings, Supt. of Public Instruction; Grant Anderson, SBE (pro, except on change in governance); Karen Cononica, WSJTCC (pro); John Davis, UW (pro only on degree granting authority); Roland Dewhurst, Clyde Hupp, Bates VTI (pro); Chris Cassidy, WA Coalition for Adult Literacy (pro); Evelyn Rieder, WFT (pro); Mark Pehla, Bates (pro); Joe Rosendal (pro); Bob Monreith, Lake WA VTI (pro); Bill Penrose, Clover Park VTI (pro); Mike Creihan, Renton VTI (pro); Clif Finch, AWB (pro); Tim Strege (pro); Tom Gonzales, Chancellor, Seattle CC Dist 6 (pro); Art Seigal, Dist. 6 trustee (pro); Landon Fitch, WAVA (con); Rex Bartlett, student, Clover Park VTI (con); L.E. Scarr, Lake WA Supt. (con); Gary Kolwes, Renton Supt. (con); Bill Mohler, Director, Bates VTI (con); Al Green, Director, Clover Park VTI (con); Lillian Barna, Tacoma Supt. (con)

TESTIMONY FOR (Ways & Means):

The substitute bill provides for no loss of opportunity for high school age students who wish to attend VTIs, and no increase in cost to the state when responsibility is transferred to the community college system. Currently there is fragmentation, no accountability, and a great need to increase productivity. The VTIs need a positive direction and this is the first step. Many VTI graduates want recognition as graduates of a postsecondary program, the majority of students are adults. The VTIs would also address adult literacy and earn transferrable credits. This can't be done under the current arrangement. This program deals with employee shortages and is supported by both business and labor organizations. The constitutional debate on conversion from one administrative system to another was already address when some of the VTIs moved under the community college system.

TESTIMONY AGAINST (Ways & Means):

It will cost the school districts money. The level of school district employment can't be reduced as their support functions still need to be performed for the local schools. This bill adds unnecessary layers to the organization

structure. There would be increased costs to the VTIs as functions currently performed by the school districts can't be purchased in the open market for the same price. This may mean an increase in the tuition charged to VTI students who tend to be from low income situations.

There is a constitutional claim for vocational-technical organizations to be administered by the local school districts, and a legal challenge may take place if the bill is passed. The common school construction fund should be reimbursed by \$86 million for the construction of the VTIs. The funding source for completion of Lake Washington VTI construction would be challenged. There needs to be clear language stating that all liabilities will be transferred as well as assets.

TESTIFIED (Ways & Means): William Chance, attorney (pro); Judi Billings, Superintendent of Public Instruction; Ken Kanikeberg, Superintendent of Public Instruction's Office; Lyle Baty, voc-tech instructor (pro); Lillian C. Barna, Superintendent, Tacoma Public Schools (con); Ben Soria, Tacoma Public Schools (con); Don Fowler, Gary Cohn, Lake Washington Voc-Tech (con); Dick Schoon (pro); Kris Van Gorkom, WASA (con); Gary Smith, Independent Business Association (pro); Jan Gee, WA Retail Association (pro); Joe McGavick, Investment in Human Capital Council (pro); Clif Finch, AWB (pro); Ed Tyler, Teamsters (pro); Al Brisbois, State Labor Council (pro); Mike Bigelow, OFM (pro); David Westberg, Stationary Engineers (pro); Jack Eaton, Lake Washington School District (con); Doug Eslington, Lake Washington School Board (con); Bud Scarr, Superintendent, Lake Washington School District (con); Bill Penrose, Evelyn Rieder, WFT/AFT 3913 Clover Park voc-tech instructors (pro)

HOUSE AMENDMENT(S):

The Workforce Training and Education Coordinating Board will have nine voting members: three each labor, business and agency. The Governor shall appoint and the Senate shall confirm. The Governor shall seek to ensure diversity and balance by the appointment of persons with disabilities, as well as ethnic, gender and geographical distribution. A nonvoting chair shall be a person of vision appointed by and serving at the pleasure of the Governor.

With the cooperation of the Superintendent of Public Instruction, the State Board for Community and Technical Colleges and the Employment Security Department, the coordinating board shall develop a consistent and reliable data base. The coordinating board shall be primarily for planning, policy development and coordination.

The coordinating board shall monitor the need for federally mandated councils: the Washington State Job Training Coordinating Council (SJTCC) and the Washington State Council on Vocational Education as well as the Washington Advisory Council on Adult Education. There will be overlapping membership on the SJTCC to the maximum extent feasible. One

service delivery area (SDA) administrator and one private industry council (PIC) representative shall be voting members of the SJTCC.

The State Board for Technical and Community Colleges shall have nine members with at least two from eastern Washington. Membership must include geographical diversity and one representative of labor and one representative of business. Programs and activities offered in the last year will continue so long as the need exists. The state board shall provide or coordinate apprenticeship programs.

There shall be a separate board and district for each technical college. Local board membership shall include one member from business and one member from labor. A coordinating mechanism is provided for overlapping college districts. In Pierce County there will be an eight member coordinating committee which includes two trustees from each college, responsible for regional planning. The coordinating committee shall not employ its own staff. Agreements for associate degrees are required in Pierce County, while in Whatcom County transfer courses will be offered only by the community college.

Technical colleges may buy support services from school districts by mutual agreement. Technical colleges are to offer nonbaccalaureate degrees under state board rules.

Playgrounds will continue to be available. The school district's ability to enroll the same percentage of students is protected. The \$5,000 bid limit is increased to \$15,000. Faculty Senates shall be optional for the colleges.

Retirement and benefit options are clarified. SPI employees are transferred to the higher education personnel system. Bargaining laws are revised to include the technical college instructors. Contracts due to expire will continue until the board of trustees can negotiate a new contract, or for one year, or longer by agreement. VTI/school district personnel are protected from retribution due to act. VTI employees will not be given termination notices. On March 1, 1991, VTI directors become presidents of technical colleges.

Buildings used temporarily by a VTI and buildings already returned revert to the school district. VTIs stay with the school districts until September 1991. Liabilities are transferred with assets. No asset removal is allowed; no increase in indirect costs is allowed--everyone cooperates. Decisions regarding asset transfers are made in consultation with SPI, the state board and a task force appointed by the Governor. If no agreement is reached, then the Governor will decide. Licenses are transferred with other papers. School districts are obligated only for bonds already issued.

All adult literacy programs are transferred to the State Board for Community and Technical Colleges.

The Seattle Vocational Institute (formerly the Washington Institute for Applied Technology) is the fourth unit of the Seattle Community College District. The mission is clarified, staff is transferred, and some faculty may be hired.

SPI is directed to develop curriculum that integrates vocational and academic coursework.

HOUSE AMENDMENT(S) 4/26/91:

The director of the board shall be appointed by the Governor from a list of three names submitted by a committee made up of the business and labor members of the board. The Governor may dismiss the director only with the approval of a majority vote of the board. The board, by a majority vote, may dismiss the director with the approval of the Governor.