

# HOUSE BILL REPORT

## HB 2481

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### As Reported By House Committee On:

Higher Education

**Title:** An act relating to requiring authorization for certain higher education personnel arrangements.

**Brief Description:** Requiring approval of certain higher education personnel arrangements that exceed fifty thousand dollars in value.

**Sponsors:** Representatives Schoesler, Sump, Sheahan, Honeyford, Mulliken and McCune.

### **Brief History:**

#### **Committee Activity:**

Higher Education: 1/27/98, 1/30/98 [DPS].

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## HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Carlson, Chairman; Radcliff, Vice Chairman; Mason, Ranking Minority Member; Kenney, Assistant Ranking Minority Member; Butler; Dunn; O'Brien; Sheahan and Van Luven.

**Staff:** Marilee Scarbrough (786-7196).

**Background:** Governing boards have full control of their institution, including the authority to employ the president, his assistant, members of the faculty and employees of the institution. Additionally, the board determines conditions of employment and termination. In carrying out those duties, the board may enter into contracts that are appropriate for their institutions.

**Summary of Substitute Bill:** The Office of Financial Management must approve higher education administrators' professional leave agreements, severance packages, and contract settlements that exceed 50 percent of the administrators' base salary.

**Substitute Bill Compared to Original Bill:** The Office of Financial Management, instead of the Higher Education Coordinating Board, is responsible for approving agreements. The substitute applies only to administrators, not higher education employees. The substitute bill applies to all agreements that exceed 50 percent of the

administrator's base salary. The substitute adds language that the act applies prospectively only and not retroactively.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** Settlements at Eastern Washington University were approved by the board of trustees, but on the face the agreements appears to be excessive. This legislation places a reasonable limit on such agreements and a safety belt. There may be an issue with faculty sabbaticals, and we may want to amend the bill to focus on administrators.

**Testimony Against:** (Original bill) The Higher Education Coordinating Board (HECB) is not a governing board, we are a coordinating board. The HECB could not deal with these issues in a timely manner, this is a job for the regents. The HECB would be uncomfortable with this responsibility. Personnel matters are issues for the governing boards.

**Testified:** Representative Mark Schoesler, prime sponsor; Susan Patrick, Higher Education Coordinating Board; Bev Hermanson, WFSE; and Terry Teale, Council of Presidents.