

SHB 2111 - S COMM AMD
By Committee on Higher Education

ADOPTED 04/11/2003

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that ten years
4 have passed since the state attempted to redefine the relationship with
5 its institutions of higher education based on trust, evidence, and a
6 new alignment of responsibilities, as articulated in chapter 363, Laws
7 of 1993.

8 (2) However, the legislature also finds that the intent to combine
9 institutional flexibility and authority to make decisions at the local
10 level with accountability for achieving statewide goals and objectives
11 has never been fully achieved, in part because there has not been an
12 operating mechanism through which to implement this relationship.

13 (3) Therefore, the legislature intends to explore opportunities to
14 create performance contracts between the state and public institutions
15 of higher education. It is the intent of the legislature that such a
16 contract would constitute a negotiated agreement between the state and
17 an institution, where the state's primary interest would lie not in the
18 management and operations of an institution, but in the institution's
19 contribution to achieving agreed-upon statewide goals and objectives
20 for higher education.

21 NEW SECTION. **Sec. 2.** (1) A work group on higher education
22 performance contracts is established. The work group shall consist of
23 members as follows:

24 (a) The members of the house and senate higher education and fiscal
25 committees;

26 (b) One representative of the higher education coordinating board,
27 appointed by the board;

28 (c) One representative of the state board for community and
29 technical colleges, appointed by the state board;

1 (d) Two representatives of public four-year institutions of higher
2 education, appointed by the council of presidents;

3 (e) Two representatives of the community and technical colleges,
4 appointed by the Washington association of community and technical
5 colleges; and

6 (f) One representative of the governor's office and one
7 representative of the office of financial management, each appointed by
8 the governor.

9 (2) The work group may invite input from other interested parties,
10 including but not limited to faculty and student representatives and
11 representatives of the business community. Within available funds, the
12 work group may obtain additional expertise or engage consultants if
13 necessary to carry out its work.

14 (3) The work group shall:

15 (a) Examine the experience of other states in developing and
16 implementing performance contracts with institutions of higher
17 education;

18 (b) Consider the feasibility of implementing performance contracts
19 in Washington;

20 (c) Identify whether amendments to current laws may be necessary to
21 implement performance contracts; and

22 (d) Develop guidelines and possible models for performance
23 contracts, including:

24 (i) The types of indicators and benchmarks that could be included
25 in a contract to measure an institution's progress in meeting the
26 contract's objectives; and

27 (ii) The types of flexibility, exemptions, or commitments that
28 could be included in a contract to reflect the state's obligation to an
29 institution.

30 (4) The work group shall use legislative facilities and staff from
31 senate committee services and the office of program research. Each
32 nonlegislative member of the work group shall be reimbursed for travel
33 expenses in accordance with RCW 43.03.050 and 43.03.060. Travel
34 expenses for the nonlegislative members shall be paid by their
35 respective institutions or agencies.

36 (5) The work group shall report its findings and recommendations to

1 the higher education and fiscal committees of the legislature by
2 December 15, 2003.

3 NEW SECTION. **Sec. 3.** This act expires June 30, 2004."

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4 On page 1, line 2 of the title, after "education;" strike the
5 remainder of the title and insert "creating new sections; and providing
6 an expiration date."

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