

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2076

Chapter 130, Laws of 2003

58th Legislature
2003 Regular Session

HIGHER EDUCATION COORDINATING BOARD

EFFECTIVE DATE: 7/27/03

Passed by the House April 21, 2003
Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 14, 2003
Yeas 36 Nays 12

BRAD OWEN

President of the Senate

Approved May 7, 2003.

GARY LOCKE

Governor of the State of Washington

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2076** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

Chief Clerk

FILED

May 7, 2003 - 3:02 p.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2076

AS AMENDED BY THE SENATE

Passed Legislature - 2003 Regular Session

State of Washington 58th Legislature 2003 Regular Session

By House Committee on Higher Education (originally sponsored by Representatives Kenney, Cox, Fromhold, Chase, Miloscia, Conway, Berkey, Upthegrove, Moeller, Wood and Schual-Berke)

READ FIRST TIME 03/05/03.

1 AN ACT Relating to roles and responsibilities of the higher
2 education coordinating board; amending RCW 28B.80.330, 28B.80.340,
3 28B.80.610, and 28B.50.090; adding a new section to chapter 28B.80 RCW;
4 creating new sections; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

7 (a) At the time the higher education coordinating board was created
8 in 1985, the legislature wanted a board with a comprehensive mission
9 that included planning, budget and program review authority, and
10 program administration;

11 (b) Since its creation, the board has achieved numerous
12 accomplishments, including proposals leading to creation of the branch
13 campus system, and has made access and affordability of higher
14 education a consistent priority;

15 (c) However, higher education in Washington state is currently at
16 a crossroads. Demographic, economic, and technological changes present
17 new and daunting challenges for the state and its institutions of
18 higher education. As the state looks forward to the future, the

1 legislature, the governor, and institutions need a common strategic
2 vision to guide planning and decision making.

3 (2) Therefore, it is the legislature's intent to reaffirm and
4 strengthen the strategic planning role of the higher education
5 coordinating board. It is also the legislature's intent to examine
6 options for reassigning or altering other roles and responsibilities to
7 enable the board to place priority and focus on planning and
8 coordination.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.80 RCW
10 to read as follows:

11 (1) The board shall develop a statewide strategic master plan for
12 higher education that proposes a vision and identifies goals and
13 priorities for the system of higher education in Washington state. The
14 board shall also specify strategies for maintaining and expanding
15 access, affordability, quality, efficiency, and accountability among
16 the various institutions of higher education.

17 (2) In developing the statewide strategic master plan for higher
18 education, the board shall collaborate with the four-year institutions
19 of higher education including the council of presidents, the community
20 and technical college system, and, when appropriate, the work force
21 training and education coordinating board, the superintendent of public
22 instruction, and the independent higher education institutions. The
23 board shall also seek input from students, faculty organizations,
24 community and business leaders in the state, members of the
25 legislature, and the governor.

26 (3) As a foundation for the statewide strategic master plan for
27 higher education, the board shall develop and establish role and
28 mission statements for each of the four-year institutions of higher
29 education and the community and technical college system. The board
30 shall determine whether certain major lines of study or types of
31 degrees, including applied degrees or research-oriented degrees, shall
32 be assigned uniquely to some institutions or institutional sectors in
33 order to create centers of excellence that focus resources and
34 expertise.

35 (4) In assessing needs of the state's higher education system, the
36 board may consider and analyze the following information:

1 (a) Demographic, social, economic, and technological trends and
2 their impact on service delivery;

3 (b) The changing ethnic composition of the population and the
4 special needs arising from those trends;

5 (c) Business and industrial needs for a skilled work force;

6 (d) College attendance, retention, transfer, and dropout rates;

7 (e) Needs and demands for basic and continuing education and
8 opportunities for lifelong learning by individuals of all age groups;
9 and

10 (f) Needs and demands for access to higher education by placebound
11 students and individuals in heavily populated areas underserved by
12 public institutions.

13 (5) The statewide strategic master plan for higher education shall
14 include, but not be limited to, the following:

15 (a) Recommendations based on enrollment forecasts and analysis of
16 data about demand for higher education, and policies and actions to
17 meet those needs;

18 (b) State or regional priorities for new or expanded degree
19 programs or off-campus programs, including what models of service
20 delivery may be most cost-effective;

21 (c) Recommended policies or actions to improve the efficiency of
22 student transfer and graduation or completion;

23 (d) State or regional priorities for addressing needs in high-
24 demand fields where enrollment access is limited and employers are
25 experiencing difficulty finding enough qualified graduates to fill job
26 openings;

27 (e) Recommended tuition and fees policies and levels; and

28 (f) Priorities and recommendations on financial aid.

29 (6) The board shall present the vision, goals, priorities, and
30 strategies in the statewide strategic master plan for higher education
31 in a way that provides guidance for institutions, the governor, and the
32 legislature to make further decisions regarding institution-level
33 plans, policies, legislation, and operating and capital funding for
34 higher education. In the statewide strategic master plan for higher
35 education, the board shall recommend specific actions to be taken and
36 identify measurable performance indicators and benchmarks for gauging
37 progress toward achieving the goals and priorities.

1 (7) Every four years by December 15th, beginning December 15, 2003,
2 the board shall submit an interim statewide strategic master plan for
3 higher education to the governor and the legislature. The interim plan
4 shall reflect the expectations and policy directions of the legislative
5 higher education and fiscal committees, and shall provide a timely and
6 relevant framework for the development of future budgets and policy
7 proposals. The legislature shall, by concurrent resolution, approve or
8 recommend changes to the interim plan, following public hearings. The
9 board shall submit the final plan, incorporating legislative changes,
10 to the governor and the legislature by June of the year in which the
11 legislature approves the concurrent resolution. The plan shall then
12 become state higher education policy unless legislation is enacted to
13 alter the policies set forth in the plan.

14 **Sec. 3.** RCW 28B.80.330 and 1997 c 369 s 10 are each amended to
15 read as follows:

16 The board shall perform the following planning duties in
17 consultation with the four-year institutions including the council of
18 presidents, the community and technical college system, and when
19 appropriate the work force training and education coordinating board,
20 the superintendent of public instruction, and the independent higher
21 educational institutions:

22 ~~(1) ((Develop and establish role and mission statements for each of~~
23 ~~the four-year institutions and for the community and technical college~~
24 ~~system;~~

25 ~~(2) Identify the state's higher education goals, objectives, and~~
26 ~~priorities;~~

27 ~~(3) Prepare a comprehensive master plan which includes but is not~~
28 ~~limited to:~~

29 ~~(a) Assessments of the state's higher education needs. These~~
30 ~~assessments may include, but are not limited to: The basic and~~
31 ~~continuing needs of various age groups; business and industrial needs~~
32 ~~for a skilled work force; analyses of demographic, social, and economic~~
33 ~~trends; consideration of the changing ethnic composition of the~~
34 ~~population and the special needs arising from such trends; college~~
35 ~~attendance, retention, and dropout rates, and the needs of recent high~~
36 ~~school graduates and placebound adults. The board should consider the~~

1 ~~needs of residents of all geographic regions, but its initial~~
2 ~~priorities should be applied to heavily populated areas underserved by~~
3 ~~public institutions;~~

4 ~~(b) Recommendations on enrollment and other policies and actions to~~
5 ~~meet those needs;~~

6 ~~(c) Guidelines for continuing education, adult education, public~~
7 ~~service, and other higher education programs;~~

8 ~~(d) Mechanisms through which the state's higher education system~~
9 ~~can meet the needs of employers hiring for industrial projects of~~
10 ~~statewide significance.~~

11 ~~The initial plan shall be submitted to the governor and the~~
12 ~~legislature by December 1, 1987. Comments on the plan from the board's~~
13 ~~advisory committees and the institutions shall be submitted with the~~
14 ~~plan.~~

15 ~~The plan shall be updated every four years, and presented to the~~
16 ~~governor and the appropriate legislative policy committees. Following~~
17 ~~public hearings, the legislature shall, by concurrent resolution,~~
18 ~~approve or recommend changes to the initial plan, and the updates. The~~
19 ~~plan shall then become state higher education policy unless legislation~~
20 ~~is enacted to alter the policies set forth in the plan;~~

21 ~~(4)) Review, evaluate, and make recommendations on operating and~~
22 ~~capital budget requests from four-year institutions and the community~~
23 ~~and technical college system, based on ((the elements outlined in~~
24 ~~subsections (1), (2), and (3) of this section, and on)) how the budget~~
25 ~~requests align with and implement the statewide strategic master plan~~
26 ~~for higher education under section 2 of this act.~~

27 ~~(a) By December of each odd-numbered year, the board shall~~
28 ~~distribute guidelines which outline the board's fiscal priorities((-~~
29 ~~These guidelines shall be distributed)) to the institutions and the~~
30 ~~state board for community and technical colleges ((board by December of~~
31 ~~each odd-numbered year)). The institutions and the state board for~~
32 ~~community and technical colleges ((board)) shall submit an outline of~~
33 ~~their proposed budgets, identifying major components, to the board no~~
34 ~~later than August 1st of each even-numbered year. The board shall~~
35 ~~submit recommendations on the proposed budgets and on the board's~~
36 ~~budget priorities to the office of financial management before November~~
37 ~~1st of each even-numbered year, and to the legislature by January 1st~~
38 ~~of each odd-numbered year;~~

1 ~~((+5))~~ (b) Institutions and the state board for community and
2 technical colleges shall submit any supplemental budget requests and
3 revisions to the board at the same time they are submitted to the
4 office of financial management. The board shall submit recommendations
5 on the proposed supplemental budget requests to the office of financial
6 management by November 1st and to the legislature by January 1st;

7 ~~((+6))~~ (2) Recommend legislation affecting higher education;

8 ~~((+7) Recommend tuition and fees policies and levels based on
9 comparisons with peer institutions;~~

10 ~~(+8) Establish priorities and develop recommendations on financial
11 aid based on comparisons with peer institutions;~~

12 ~~(+9))~~ (3) Prepare recommendations on merging or closing
13 institutions; and

14 ~~((+10))~~ (4) Develop criteria for identifying the need for new
15 baccalaureate institutions.

16 **Sec. 4.** RCW 28B.80.340 and 1985 c 370 s 5 are each amended to read
17 as follows:

18 (1) The board shall perform the following program responsibilities,
19 in consultation with the institutions and with other interested
20 agencies and individuals:

21 ~~((+1))~~ (a) Approve the creation of any new degree programs at the
22 four-year institutions and prepare fiscal notes on any such programs;

23 ~~((+2))~~ (b) Review, evaluate, and make recommendations for the
24 modification, consolidation, initiation, or elimination of on-campus
25 programs, at the four-year institutions;

26 ~~((+3))~~ (c) Review and evaluate and approve, modify, consolidate,
27 initiate, or eliminate off-campus programs at the four-year
28 institutions;

29 ~~((+4))~~ (d) Approve, and adopt guidelines for, higher education
30 centers and consortia;

31 ~~((+5))~~ (e) Approve purchase or lease of major off-campus
32 facilities for the four-year institutions and the community colleges;

33 ~~((+6))~~ (f) Establish campus service areas and define on-campus and
34 off-campus activities and major facilities; and

35 ~~((+7))~~ (g) Approve contracts for off-campus educational programs
36 initiated by the state's four-year institutions individually, in

1 concert with other public institutions, or with independent
2 institutions.

3 (2) In performing its responsibilities under this section, the
4 board shall consider, and require institutions to demonstrate, how the
5 proposals align with or implement the statewide strategic master plan
6 for higher education under section 2 of this act. The board shall also
7 develop clear guidelines and objective decision-making criteria
8 regarding approval of proposals under this section.

9 **Sec. 5.** RCW 28B.80.610 and 1993 c 363 s 2 are each amended to read
10 as follows:

11 (1) At the local level, the higher education institutional
12 responsibilities include but are not limited to:

13 (a) Development and provision of strategic plans (~~((under the~~
14 ~~guidelines established by the higher education coordinating board))~~
15 that implement the vision, goals, priorities, and strategies within the
16 statewide strategic master plan for higher education under section 2 of
17 this act based on the institution's role and mission. Institutional
18 strategic plans shall also contain measurable performance indicators
19 and benchmarks for gauging progress toward achieving the goals and
20 priorities. In developing their strategic plans, the research
21 universities shall consider the feasibility of significantly increasing
22 the number of evening graduate classes;

23 (b) For the four-year institutions of higher education, timely
24 provision of information required by the higher education coordinating
25 board to report to the governor, the legislature, and the citizens;

26 (c) Provision of local student financial aid delivery systems to
27 achieve both statewide goals and institutional objectives in concert
28 with statewide policy; and

29 (d) Operating as efficiently as feasible within institutional
30 missions and goals.

31 (2) At the state level, the higher education coordinating board
32 shall be responsible for:

33 (a) (~~((Delineation and coordination of))~~) Ensuring that strategic
34 plans to be prepared by the institutions are aligned with and implement
35 the statewide strategic master plan for higher education under section
36 2 of this act and periodically monitoring institutions' progress toward
37 achieving the goals and priorities within their plans;

1 (b) Preparation of reports to the governor, the legislature, and
2 the citizens on program accomplishments and use of resources by the
3 institutions;

4 (c) Administration and policy implementation for statewide student
5 financial aid programs; and

6 (d) Assistance to institutions in improving operational efficiency
7 through measures that include periodic review of program efficiencies.

8 (3) At the state level, on behalf of community colleges and
9 technical colleges, the state board for community and technical
10 colleges shall coordinate and report on the system's strategic plans,
11 including reporting on the system's progress toward achieving the
12 statewide goals and priorities within its plan, and shall provide any
13 information required of its colleges by the higher education
14 coordinating board.

15 **Sec. 6.** RCW 28B.50.090 and 1991 c 238 s 33 are each amended to
16 read as follows:

17 The college board shall have general supervision and control over
18 the state system of community and technical colleges. In addition to
19 the other powers and duties imposed upon the college board by this
20 chapter, the college board shall be charged with the following powers,
21 duties and responsibilities:

22 (1) Review the budgets prepared by the boards of trustees, prepare
23 a single budget for the support of the state system of community and
24 technical colleges and adult education, and submit this budget to the
25 governor as provided in RCW 43.88.090;

26 (2) Establish guidelines for the disbursement of funds; and receive
27 and disburse such funds for adult education and maintenance and
28 operation and capital support of the college districts in conformance
29 with the state and district budgets, and in conformance with chapter
30 43.88 RCW;

31 (3) Ensure, through the full use of its authority:

32 (a) That each college district shall offer thoroughly comprehensive
33 educational, training and service programs to meet the needs of both
34 the communities and students served by combining high standards of
35 excellence in academic transfer courses; realistic and practical
36 courses in occupational education, both graded and ungraded; and
37 community services of an educational, cultural, and recreational

1 nature; and adult education, including basic skills and general,
2 family, and work force literacy programs and services. However,
3 technical colleges, and college districts containing only technical
4 colleges, shall maintain programs solely for occupational education,
5 basic skills, and literacy purposes. For as long as a need exists,
6 technical colleges may continue those programs, activities, and
7 services they offered during the twelve-month period preceding May 17,
8 1991;

9 (b) That each college district shall maintain an open-door policy,
10 to the end that no student will be denied admission because of the
11 location of the student's residence or because of the student's
12 educational background or ability; that, insofar as is practical in the
13 judgment of the college board, curriculum offerings will be provided to
14 meet the educational and training needs of the community generally and
15 the students thereof; and that all students, regardless of their
16 differing courses of study, will be considered, known and recognized
17 equally as members of the student body: PROVIDED, That the
18 administrative officers of a community or technical college may deny
19 admission to a prospective student or attendance to an enrolled student
20 if, in their judgment, the student would not be competent to profit
21 from the curriculum offerings of the college, or would, by his or her
22 presence or conduct, create a disruptive atmosphere within the college
23 not consistent with the purposes of the institution. This subsection
24 (3)(b) shall not apply to competency, conduct, or presence associated
25 with a disability in a person twenty-one years of age or younger
26 attending a technical college;

27 (4) Prepare a comprehensive master plan for the development of
28 community and technical college education and training in the state;
29 and assist the office of financial management in the preparation of
30 enrollment projections to support plans for providing adequate college
31 facilities in all areas of the state. The master plan shall include
32 implementation of the vision, goals, priorities, and strategies in the
33 statewide strategic master plan for higher education under section 2 of
34 this act based on the community and technical college system's role and
35 mission. The master plan shall also contain measurable performance
36 indicators and benchmarks for gauging progress toward achieving the
37 goals and priorities;

1 (5) Define and administer criteria and guidelines for the
2 establishment of new community and technical colleges or campuses
3 within the existing districts;

4 (6) Establish criteria and procedures for modifying district
5 boundary lines consistent with the purposes set forth in RCW 28B.50.020
6 as now or hereafter amended and in accordance therewith make such
7 changes as it deems advisable;

8 (7) Establish minimum standards to govern the operation of the
9 community and technical colleges with respect to:

10 (a) Qualifications and credentials of instructional and key
11 administrative personnel, except as otherwise provided in the state
12 plan for vocational education,

13 (b) Internal budgeting, accounting, auditing, and financial
14 procedures as necessary to supplement the general requirements
15 prescribed pursuant to chapter 43.88 RCW,

16 (c) The content of the curriculums and other educational and
17 training programs, and the requirement for degrees and certificates
18 awarded by the colleges,

19 (d) Standard admission policies,

20 (e) Eligibility of courses to receive state fund support;

21 (8) Establish and administer criteria and procedures for all
22 capital construction including the establishment, installation, and
23 expansion of facilities within the various college districts;

24 (9) Encourage innovation in the development of new educational and
25 training programs and instructional methods; coordinate research
26 efforts to this end; and disseminate the findings thereof;

27 (10) Exercise any other powers, duties and responsibilities
28 necessary to carry out the purposes of this chapter;

29 (11) Authorize the various community and technical colleges to
30 offer programs and courses in other districts when it determines that
31 such action is consistent with the purposes set forth in RCW 28B.50.020
32 as now or hereafter amended;

33 (12) Notwithstanding any other law or statute regarding the sale of
34 state property, sell or exchange and convey any or all interest in any
35 community and technical college real and personal property, except such
36 property as is received by a college district in accordance with RCW
37 28B.50.140(8), when it determines that such property is surplus or that

1 such a sale or exchange is in the best interests of the community and
2 technical college system;

3 (13) In order that the treasurer for the state board for community
4 and technical colleges appointed in accordance with RCW 28B.50.085 may
5 make vendor payments, the state treasurer will honor warrants drawn by
6 the state board providing for an initial advance on July 1, 1982, of
7 the current biennium and on July 1 of each succeeding biennium from the
8 state general fund in an amount equal to twenty-four percent of the
9 average monthly allotment for such budgeted biennium expenditures for
10 the state board for community and technical colleges as certified by
11 the office of financial management; and at the conclusion of such
12 initial month and for each succeeding month of any biennium, the state
13 treasurer will reimburse expenditures incurred and reported monthly by
14 the state board treasurer in accordance with chapter 43.88 RCW:
15 PROVIDED, That the reimbursement to the state board for actual
16 expenditures incurred in the final month of each biennium shall be less
17 the initial advance made in such biennium;

18 (14) Notwithstanding the provisions of subsection (12) of this
19 section, may receive such gifts, grants, conveyances, devises, and
20 bequests of real or personal property from private sources as may be
21 made from time to time, in trust or otherwise, whenever the terms and
22 conditions thereof will aid in carrying out the community and technical
23 college programs and may sell, lease or exchange, invest or expend the
24 same or the proceeds, rents, profits and income thereof according to
25 the terms and conditions thereof; and adopt regulations to govern the
26 receipt and expenditure of the proceeds, rents, profits and income
27 thereof;

28 (15) The college board shall have the power of eminent domain;

29 (16) Provide general supervision over the state's technical
30 colleges. The president of each technical college shall report
31 directly to the director of the state board for community and technical
32 colleges, or the director's designee, until local control is assumed by
33 a new or existing board of trustees as appropriate, except that a
34 college president shall have authority over program decisions of his or
35 her college until the establishment of a board of trustees for that
36 college. The directors of the vocational-technical institutes on March
37 1, 1991, shall be designated as the presidents of the new technical
38 colleges.

1 NEW SECTION. **Sec. 7.** (1) A legislative work group is established
2 to provide guidance for the statewide strategic master plan for higher
3 education and review options pertaining to the higher education
4 coordinating board. The legislative work group shall consist of the
5 members of the house of representatives and senate higher education and
6 fiscal committees. Cochairs shall be the chair of the senate higher
7 education committee and the chair of the house of representatives
8 higher education committee.

9 (2) The legislative work group shall:

10 (a) Define legislative expectations and provide policy direction
11 for the statewide strategic master plan for higher education under
12 section 2 of this act;

13 (b) Make recommendations for ensuring the coordination of higher
14 education capital and operating budgets with the goals and priorities
15 in the statewide strategic master plan for higher education; and

16 (c) Examine opportunities to update the roles and responsibilities
17 of the higher education coordinating board, including alternatives for
18 administration of financial aid and other programs; review of
19 institution budget requests; approval of off-campus programs, centers,
20 and consortia; and collection and analysis of data.

21 (3) The legislative work group shall use legislative facilities and
22 staff from senate committee services and the office of program
23 research.

24 (4) The legislative work group shall report its findings and
25 recommendations to the legislature by January 2, 2004.

26 (5) This section expires July 1, 2004.

 Passed by the House April 21, 2003.

 Passed by the Senate April 14, 2003.

 Approved by the Governor May 7, 2003.

 Filed in Office of Secretary of State May 7, 2003.