

HOUSE BILL REPORT

ESSB 6359

As Reported by House Committee On:

Higher Education
Education Appropriations

Title: An act relating to promoting efficiencies including institutional coordination and partnerships in the community and technical college system.

Brief Description: Promoting efficiencies including institutional coordination and partnerships in the community and technical college system.

Sponsors: Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Kilmer, Becker, Shin and Tom).

Brief History:

Committee Activity:

Higher Education: 2/19/10, 2/23/10 [DP];
Education Appropriations: 2/25/10 [DPA].

Brief Summary of Engrossed Substitute Bill (As Amended by House)

- Requires that community college districts coordinate with districts in the region to avoid unnecessary duplication of student services and administrative functions.
- Requires the State Board for Community and Technical Colleges (SBCTC) to establish criteria and procedures for consolidating district structures to form multiple campus districts and, in collaboration with the boards of trustees, identify and study potential administrative efficiencies, complimentary administrative functions, and complimentary academic programs in adjacent college districts.
- Requires colleges to collaborate with faculty representatives, students, and community representatives when deliberating about system efficiencies and complimentary administrative functions.
- Requires that if educational programs are identified for consolidation, the SBCTC to convene faculty and staff to help in developing consolidation plans that would impact their programs and collective bargaining agreements.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- Requires the SBCTC must submit a preliminary report on the development of detailed implementation plans for removing or modifying district boundaries by December 1, 2010, with a final report due on December 1, 2011.
- Requires the SBCTC to identify any districts that can be consolidated and, by December 1, 2012, to submit any required legislative changes to the Governor and appropriate committees of the Legislature.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 7 members: Representatives Wallace, Chair; Sells, Vice Chair; Anderson, Ranking Minority Member; Carlyle, Driscoll, Hasegawa and White.

Minority Report: Without recommendation. Signed by 3 members: Representatives Schmick, Assistant Ranking Minority Member; Angel and Haler.

Staff: Andi Smith (786-7304).

Background:

Washington's Community and Technical College Act of 1991 provides for a state system of community and technical colleges separate from both the public secondary schools and four-year institutions. The act requires that the colleges "offer an open door to every citizen, regardless of his or her academic background or experiences, at a cost normally within his or her economic means."

Each of the 34 college districts is required to "offer thoroughly comprehensive educational, training, and service programs to meet the needs of both the communities and students served by combining high standards of excellence in academic transfer courses; realistic and practical courses in occupational education, both graded and ungraded; community services of an educational, cultural, and recreational nature; and adult education." As of 2009-10, seven colleges were authorized to award applied baccalaureate degrees providing career advancement for technical associate degree graduates. Each district is governed by a board of five trustees appointed to five-year terms by the Governor with the consent of the Senate.

Community and technical colleges served nearly half a million people – 460,696 students, representing 169,189 full-time equivalents – in the 2007-08 academic year. The reason most commonly identified for attending the community and technical colleges was related to the workforce education mission – to prepare for a new job or upgrade existing job skills. Some 45 percent of students enrolled for a workforce purpose. Another 39 percent of students enrolled to pursue an academic transfer degree, while another 12 percent of students enrolled to take basic skills courses.

The State Board for Community and Technical Colleges (SBCTC) sets policy direction for the community and technical college system in collaboration with colleges and other system partners. It advocates for and allocates state resources to the colleges. The SBCTC is required to provide "general supervision and control over the state system of community and

technical colleges." Among its specific responsibilities the SBCTC must: (1) prepare a single system operating budget request and capital budget request for consideration by the Legislature; (2) disburse capital and operating funds appropriated by the Legislature to the college districts; (3) administer criteria for establishment of new colleges and for the modification of district boundary lines; (4) establish minimum standards for the operation of community and technical colleges with respect to personnel qualifications, budgeting, accounting, auditing, curriculum content, degree requirements, admission policies, and the eligibility of courses for state support; and (5) prepare a comprehensive master plan for community and technical college education.

Summary of Bill:

Each of the 34 community college districts is required to coordinate with districts in their region in offering education and training. The districts are required to avoid unnecessary duplication of student services and administrative functions.

The SBCTC must work in collaboration with the boards of trustees for the community and technical colleges to identify potential administrative efficiencies, complimentary administrative functions, and complimentary academic programs in college districts within a regional area. During this process the colleges must work with equal representation from their boards of trustees, administration, faculty, employee union representatives, student representatives, and community representatives. The SBCTC and trustees must consider economic feasibility; cost savings; the extent to which changes will contribute to student access to academic programs; the extent to which changes contribute to the vision, goals, priorities, and statewide strategies in the comprehensive master plan and the strategic master plan for higher education; as well as the extent to which the changes will contribute to strengthening the retention and recruitment of high quality faculty.

The SBCTC must have developed and adopted a detailed implementation plan of any changes that would result in cost savings while maintaining student access and achievement. The plan must establish a time frame within which any proposed changes must be accomplished, as well as any agreements established to provide complimentary academic programs or coordinate administrative functions. The implementation plan takes effect once it is approved by the SBCTC.

The SBCTC must submit a preliminary progress report on the implementation plan to the Legislature by December 1, 2010, and must submit a final report by December 1, 2011. Cost savings realized from the implementation are retained by the respective districts to be used for enhancing student access and success.

The SBCTC, working in consultation with the boards of trustees, must identify adjacent college districts that can feasibly be consolidated or whose boundaries can be modified. The SBCTC must consider the effect on student access, the recruitment and retention of high quality faculty, and the extent of financial efficiencies in its deliberations. The SBCTC must have adopted proposed district consolidations or changes by December 1, 2012, and must

submit any required legislative changes to the Governor and appropriate committees of the Legislature.

Appropriation: None.

Fiscal Note: Available on original bill.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is not a suggestion that the community and technical colleges are not already doing a great job. The colleges have huge demand with little resources and are performing well. After visiting with colleges, you hear a lot of suggestions for gaining efficiencies — merging back offices, merging colleges, merging programs. Those ideas have a way of filtering their way to Olympia. However, before we look at making changes like this, we should gain a thorough understanding. Changes this big should be done with analysis. We are conducting this analysis about efficiencies now because we face a long-term systemic challenge and need to ask these tough questions. There is value in having classified staff and faculty at the table in these discussions, though there is debate about who and in what way. These ideas around efficiencies only move forward when the dollars saved are reinvested in students.

It was difficult to sit and listen to this conversation this morning. It is surprising that the clear message is that if faculty and staff are involved, we will interfere with required flexibility and will interfere with meeting the bill's goals. When the bill first came out, we were very concerned. However, we have worked with the sponsors and are much more satisfied. We do not need to be involved in conversations about consolidating information technology systems. However, when you start to talk about consolidating academic programs and colleges, we have a huge interest in that. We have asked to be specifically mentioned because we are the people who will have to do that work. Just because specific groups are mentioned does not define "how" they need to be involved or how often they need to be involved – but this needs to be a transparent process. We should take our time, take it seriously and involve stakeholders in program consolidation. Don't do it to us, do it with us.

(With concerns) The system has been doing a lot over the last couple of years to become more efficient and effective. This efficiency bill is only one of many items that we are studying. We are passionate about our students and their success, but we are not passionate about process. This bill is a "Christmas tree" of processes. We understand the desire to work on efficiencies, but if this is taken to its logical conclusion it will be hugely administratively burdensome and slow. It would be better to take advantage of the staff expertise of the SBCTC and direct them to establish efficiencies without all of the burdensome process.

The intent of this legislation is to seek greater efficiency and this is a goal we all share. In the face of big budget cuts, our system has been scrambling to streamline our operations

while maintaining central services for students. Many efforts are currently underway, especially in the area of electronic learning and shared administrative systems, which have resulted in significant cost savings. This legislation is expensive, prescriptive, and time consuming. Colleges are required to bring together a wide swath of campus and community constituencies and existing staff are already stretched very thin. Statutes dictate that the SBCTC and the trustees are in charge of governance. This bill might undermine that authority. Don't undermine effectiveness in the name of efficiency.

The concepts, goals, and intent of the original act that created the community and technical college system are still intact. We serve communities but our services differ based on community needs. The system needs to retain flexibility – even in accomplishing system change.

(Opposed) None.

Persons Testifying: (In support) Senator Kilmer, prime sponsor; and Sandra Schroeder, American Federation of Teachers-Washington.

(With concerns) Pete Crane, Olympic College Trustees Association; Pamela Transue, Tacoma Community College; and Jim Bricker, State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON EDUCATION APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 14 members: Representatives Haigh, Chair; Probst, Vice Chair; Priest, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Anderson, Carlyle, Haler, Hunter, Kagi, Maxwell, Nealey, Quall, Rolfes and Wallace.

Staff: Serah Stetson (786-7109).

Summary of Recommendation of Committee On Education Appropriations Compared to Recommendation of Committee On Higher Education:

The bill as amended clarifies that the Legislature intends to encourage the community and technical college system to identify efficiencies rather than having the Legislature provide mechanisms for those efficiencies. Additionally, it requires that the State Board for Community and Technical Colleges (SBCTC) first study potential administrative efficiencies rather than moving directly to identifying efficiencies. It also requires the SBCTC, in consultation with the Community and Technical College's (CTCs) boards of trustees, to use the criteria and processes established in the planning and development process created in the bill when identifying college districts.

In the event that educational programs are identified for consolidation, the SBCTC is required to convene faculty and staff to help in developing consolidation plans that would impact their programs and collective bargaining agreements.

The amended bill also requires that any cost savings realized by implementation of administrative and academic efficiencies be used specifically for the recruitment and retention of faculty, including full-time faculty, faculty development, and academic programs.

Appropriation: None.

Fiscal Note: Available on original bill.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is not a suggestion that the Community and Technical Colleges (CTCs) aren't already doing a terrific job with an overwhelming amount of student demand and an underwhelming amount of resources. The CTCs are already starting to have these dialogues, even across district boundaries to identify the kinds of efficiencies called out by this bill.

This bill is an acknowledgement of the difficult times that the state is facing and the continued need to look for efficiencies in state government, including higher education. These are appropriate questions to be asking right now, but the Legislature shouldn't presuppose outcomes. This bill provides for the needed analysis to determine the right path forward for the schools and the students.

(In support with concerns) There needs to be a process for the discussion about potentially big changes in the CTC system rather than doing this policy through budget provisos. This will help to identify unintended consequences and expenses related to merging CTCs. This topic needs careful and thoughtful discussion. There were some difficulties with the bill as it came out of the Senate, but they have been successfully resolved between the key constituencies. The State Board supports the bill with the proposed amendment.

(Opposed) None.

Persons Testifying: (In support) Senator Kilmer, prime sponsor.

(In support with concerns) Sandra Schroeder, American Federation of Teachers/Washington Chapter; and Charlie Earl, State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.