

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6355

Chapter 245, Laws of 2010

61st Legislature
2010 Regular Session

HIGHER EDUCATION--EXPAND ON DEMAND

EFFECTIVE DATE: 06/10/10

Passed by the Senate March 11, 2010
YEAS 44 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 10, 2010
YEAS 97 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved March 29, 2010, 2:41 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6355** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

March 30, 2010

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6355

AS AMENDED BY THE HOUSE

Passed Legislature - 2010 Regular Session

State of Washington 61st Legislature 2010 Regular Session

By Senate Higher Education & Workforce Development (originally sponsored by Senators Kilmer, Becker, Rockefeller, and Shin)

READ FIRST TIME 01/29/10.

1 AN ACT Relating to expanding the higher education system upon
2 proven demand; amending RCW 28B.50.020, 28B.50.810, 28B.76.020,
3 28B.76.230, 28B.120.005, 28B.120.010, 28B.120.020, 43.88D.010, and
4 28B.76.210; adding a new section to chapter 28B.20 RCW; adding new
5 sections to chapter 43.131 RCW; and creating a new section.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the state
8 institutions of higher education are providing a high quality education
9 to the citizens of the state. The legislature further finds that to
10 meet goals of the strategic master plan for higher education the state
11 needs a higher education system that is capable of delivering many more
12 degrees. The legislature also finds that expansion of the system
13 should be based on the proven demands of the citizens and the
14 marketplace, a concept called "expand on demand." The legislature
15 further finds that the higher education coordinating board, in
16 collaboration with the state board for community and technical
17 colleges, the two-year and four-year institutions of higher education,
18 and other stakeholders developed a system design plan that contains
19 seven guiding principles for system expansion, focuses near-term

1 enrollment growth at university branch campuses, comprehensive
2 universities, and university centers where existing capacity is
3 available without new state capital investment, establishes a process
4 for evaluating major new capital expansion, and creates a fund for
5 innovation to foster change and innovation in higher education
6 delivery. The legislature finds that the strategies in the plan
7 support the concept of expand on demand and would increase degree
8 production by first reinvesting in higher education to use existing
9 capacity while also providing long-term strategies to guide decisions
10 on when and where to build new campuses, significantly expand existing
11 sites, and change missions of existing institutions.

12 The legislature endorses the system design plan, approved by the
13 higher education coordinating board in November 2009, and adopts the
14 recommendations and strategies in the plan.

15 **Sec. 2.** RCW 28B.50.020 and 2009 c 64 s 2 are each amended to read
16 as follows:

17 The purpose of this chapter is to provide for the dramatically
18 increasing number of students requiring high standards of education
19 either as a part of the continuing higher education program or for
20 occupational education and training, or for adult basic skills and
21 literacy education, by creating a new, independent system of community
22 and technical colleges which will:

23 (1) Offer an open door to every citizen, regardless of his or her
24 academic background or experience, at a cost normally within his or her
25 economic means;

26 (2) Ensure that each college district shall offer thoroughly
27 comprehensive educational, training, and service programs to meet the
28 needs of both the communities and students served by combining high
29 standards of excellence in academic transfer courses; realistic and
30 practical courses in occupational education, both graded and ungraded;
31 community services of an educational, cultural, and recreational
32 nature; and adult education, including basic skills and general,
33 family, and workforce literacy programs and services;

34 (3) Provide for basic skills and literacy education, and
35 occupational education and technical training at technical colleges in
36 order to prepare students for careers in a competitive workforce;

1 (4) Provide or coordinate related and supplemental instruction for
2 apprentices at community and technical colleges;

3 (5) Provide administration by state and local boards which will
4 avoid unnecessary duplication of facilities or programs; and which will
5 encourage efficiency in operation and creativity and imagination in
6 education, training, and service to meet the needs of the community and
7 students;

8 (6) Allow for the growth, improvement, flexibility and modification
9 of the community colleges and their education, training, and service
10 programs as future needs occur; and

11 (7) Establish firmly that(~~(, except on a pilot basis)~~) as provided
12 under RCW 28B.50.810, community colleges are, for purposes of academic
13 training, two year institutions, and are an independent, unique, and
14 vital section of our state's higher education system, separate from
15 both the common school system and other institutions of higher
16 learning(~~(, and never to be considered for conversion into four year
17 liberal arts colleges)~~).

18 **Sec. 3.** RCW 28B.50.810 and 2008 c 166 s 2 are each amended to read
19 as follows:

20 (1) (~~By April 2006,~~) The college board (~~shall~~) may select
21 (~~four~~) community or technical colleges to develop and offer programs
22 of study leading to (~~an~~) applied baccalaureate degrees. (~~At least
23 one of the four pilot programs chosen must lead to a baccalaureate of
24 applied science degree which builds on an associate of applied science
25 degree. The college board shall convene a task force that includes
26 representatives of both the community and technical colleges to develop
27 objective selection criteria.~~

28 ~~(2) By February 2008, the college board shall select up to three
29 colleges to develop and offer programs of study leading to an applied
30 baccalaureate degree. At least one of the colleges selected must be a
31 technical college. The college board shall use the objective selection
32 criteria developed under subsections (1) and (3) of this section to
33 make the selection.~~

34 ~~(3)~~) Colleges may submit (~~an~~) applications to (~~become a pilot
35 college under this section~~) the college board. The college board and
36 the higher education coordinating board shall review the applications

1 and select the (~~(pilot)~~) colleges using objective criteria, including,
2 but not limited to:

3 (a) The college demonstrates the capacity to make a long-term
4 commitment of resources to build and sustain a high quality program;

5 (b) The college has or can readily engage faculty appropriately
6 qualified to develop and deliver a high quality curriculum at the
7 baccalaureate level;

8 (c) The college can demonstrate demand for the proposed program
9 from a sufficient number of students within its service area to make
10 the program cost-effective and feasible to operate;

11 (d) The college can demonstrate that employers demand the level of
12 technical training proposed within the program, making it cost-
13 effective for students to seek the degree; and

14 (e) The proposed program fills a gap in options available for
15 students because it is not offered by a public four-year institution of
16 higher education in the college's geographic area.

17 (~~(4)~~) (2) A college selected (~~(as a pilot college)~~) under this
18 section may develop the curriculum for and design and deliver courses
19 leading to an applied baccalaureate degree. However, degree programs
20 developed under this section are subject to approval by the college
21 board under RCW 28B.50.090 and by the higher education coordinating
22 board under RCW 28B.76.230 before a (~~(pilot)~~) college may enroll
23 students in upper division courses. (~~(A pilot college approved under~~
24 ~~subsection (1) of this section may not enroll students in upper~~
25 ~~division courses before the fall academic quarter of 2006. A pilot~~
26 ~~college approved under subsection (2) of this section may not enroll~~
27 ~~students in upper division courses before the fall academic quarter of~~
28 ~~2009.)~~)

29 **Sec. 4.** RCW 28B.76.020 and 1985 c 370 s 2 are each amended to read
30 as follows:

31 (~~(For the purposes of this chapter:)~~) The definitions in this
32 section apply throughout this chapter unless the context clearly
33 requires otherwise.

34 (1) "Board" means the higher education coordinating board(~~(; and)~~).

35 (2) "Four-year institutions" means the University of Washington,
36 Washington State University, Central Washington University, Eastern

1 Washington University, Western Washington University, and The Evergreen
2 State College.

3 (3) "Major expansion" means expansion of the higher education
4 system that requires significant new capital investment, including
5 building new institutions, campuses, branches, or centers or conversion
6 of existing campuses, branches, or centers that would result in a
7 mission change.

8 (4) "Mission change" means a change in the level of degree awarded
9 or institutional type not currently authorized in statute.

10 **Sec. 5.** RCW 28B.76.230 and 2005 c 258 s 11 are each amended to
11 read as follows:

12 (1) The board shall develop a comprehensive and ongoing assessment
13 process to analyze the need for additional degrees and programs,
14 additional off-campus centers and locations for degree programs, and
15 consolidation or elimination of programs by the four-year institutions.
16 Board recommendations regarding proposed major expansion shall be
17 limited to determinations of whether the major expansion is within the
18 scope indicated in the most recent strategic master plan for higher
19 education or most recent system design plan. Recommendations regarding
20 existing capital prioritization processes are not within the scope of
21 the evaluation of major expansion. Major expansion and proposed
22 mission changes may be proposed by the board, any public institution of
23 higher education, or by a state or local government.

24 (2) As part of the needs assessment process, the board shall
25 examine:

26 (a) Projections of student, employer, and community demand for
27 education and degrees, including liberal arts degrees, on a regional
28 and statewide basis;

29 (b) Current and projected degree programs and enrollment at public
30 and private institutions of higher education, by location and mode of
31 service delivery; ~~(and)~~

32 (c) Data from the workforce training and education coordinating
33 board and the state board for community and technical colleges on the
34 supply and demand for workforce education and certificates and
35 associate degrees ; and

36 (d) Recommendations from the technology transformation task force
37 created in chapter 407, Laws of 2009, and institutions of higher

1 education relative to the strategic and operational use of technology
2 in higher education. These and other reports, reviews, and audits
3 shall allow for: The development of enterprise-wide digital
4 information technology across educational sectors, systems, and
5 delivery methods; the integration and streamlining of administrative
6 tools including but not limited to student information management,
7 financial management, payroll, human resources, data collection,
8 reporting, and analysis; and a determination of the costs of multiple
9 technology platforms, systems, and models.

10 (3) Every two years the board shall produce, jointly with the state
11 board for community and technical colleges and the workforce training
12 and education coordinating board, an assessment of the number and type
13 of higher education and training credentials required to match employer
14 demand for a skilled and educated workforce. The assessment shall
15 include the number of forecasted net job openings at each level of
16 higher education and training and the number of credentials needed to
17 match the forecast of net job openings.

18 (4) The board shall determine whether certain major lines of study
19 or types of degrees, including applied degrees or research-oriented
20 degrees, shall be assigned uniquely to some institutions or
21 institutional sectors in order to create centers of excellence that
22 focus resources and expertise.

23 (5) The following activities are subject to approval by the board:

- 24 (a) New degree programs by a four-year institution;
- 25 (b) Creation of any off-campus program by a four-year institution;
- 26 (c) Purchase or lease of major off-campus facilities by a four-year
27 institution or a community or technical college;
- 28 (d) Creation of higher education centers and consortia;
- 29 (e) New degree programs and creation of off-campus programs by an
30 independent college or university in collaboration with a community or
31 technical college; and

32 (f) Applied baccalaureate degree programs developed by colleges
33 under RCW 28B.50.810.

34 (6) Institutions seeking board approval under this section must
35 demonstrate that the proposal is justified by the needs assessment
36 developed under this section. Institutions must also demonstrate how
37 the proposals align with or implement the statewide strategic master
38 plan for higher education under RCW 28B.76.200.

1 (7) The board shall develop clear guidelines and objective
2 decision-making criteria regarding approval of proposals under this
3 section, which must include review and consultation with the
4 institution and other interested agencies and individuals.

5 (8) The board shall periodically recommend consolidation or
6 elimination of programs at the four-year institutions, based on the
7 needs assessment analysis.

8 (9) In the case of a proposed major expansion or mission change,
9 the needs assessment process under subsection (2) of this section
10 constitutes a threshold inquiry. If the board determines that the need
11 for the proposed major expansion or mission change has not been
12 justified, the inquiry is concluded. If the board determines that the
13 need for the proposed major expansion or mission change has been
14 sufficiently established, the board, in consultation with any directly
15 involved institutions and other interested agencies and individuals,
16 shall proceed to examine the viability of the proposal using criteria
17 including, but not limited to:

18 (a) The specific scope of the project including the capital
19 investment requirements, the number of full-time equivalent students
20 anticipated, and the number of academic programs planned;

21 (b) The existence of an efficient and sustainable financial plan;

22 (c) The extent to which existing resources can be leveraged;

23 (d) The current and five-year projected student population,
24 faculty, and staff to support the proposed programs, institution, or
25 innovation;

26 (e) The plans to accommodate expected growth over a twenty-year
27 time frame;

28 (f) The extent to which new or existing partnerships and
29 collaborations are a part of the proposal; and

30 (g) The feasibility of any proposed innovations to accelerate
31 degree production.

32 (10) After the board completes its evaluation of the proposed major
33 expansion or mission change using the needs assessment under subsection
34 (2) of this section and viability determination under subsection (9) of
35 this section, the board shall make a recommendation to either proceed,
36 modify, or not proceed with the proposed major expansion or mission
37 change. The board's recommendation shall be presented to the governor
38 and the legislature.

1 **Sec. 6.** RCW 28B.120.005 and 1999 c 169 s 2 are each amended to
2 read as follows:

3 The legislature finds that encouraging collaboration among the
4 various educational sectors to meet statewide productivity and
5 educational attainment needs as described in the system design plan
6 developed by the higher education coordinating board will strengthen
7 the entire educational system, kindergarten through twelfth grade and
8 higher education. The legislature also recognizes that the most
9 effective way to develop innovative and collaborative programs is to
10 encourage institutions to develop them voluntarily, in line with
11 established state goals. Through a system of competitive grants, the
12 legislature shall encourage the development of innovative and
13 collaborative and cost-effective solutions to issues of critical
14 statewide need, including:

15 (1) Raising educational attainment and planning and piloting
16 innovative initiatives to reach new locations and populations;

17 (2) Recognizing needs of special populations of students, including
18 access and completion efforts targeting underrepresented populations;

19 ~~((+2))~~ (3) Furthering the development of learner-centered,
20 technology-assisted course delivery, including expansion of online and
21 hybrid coursework, open courseware, and other uses of technology in
22 order to effectively and efficiently share costs, improve the quality
23 of instruction and student, faculty, and administrative services,
24 increase undergraduate and graduate student access, retention, and
25 graduation, and to enhance transfer capability;

26 ~~((+3))~~ (4) Furthering the development of competency-based
27 measurements of student achievement to be used as the basis for
28 awarding degrees and certificates; ~~(and~~

29 ~~(+4))~~ (5) Increasing the collaboration among both public and
30 private sector institutions of higher education; and

31 (6) Improving productivity through innovations such as accelerated
32 programs and alternative scheduling.

33 **Sec. 7.** RCW 28B.120.010 and 1999 c 169 s 5 are each amended to
34 read as follows:

35 The Washington fund for innovation and quality in higher education
36 program is established. The higher education coordinating board shall
37 administer the program ~~((for the purpose of awarding grants in which a~~

1 ~~four-year-institution-of-higher-education-is-named-as-the-lead~~
2 ~~institution.—The-state-board-for-community-and-technical-colleges~~
3 ~~shall-administer-the-program-for-the-purpose-of-awarding-grants-in~~
4 ~~which-a-community-or-technical-college-is-named-as-the-lead~~
5 ~~institution))~~ and shall work in close collaboration with the state
6 board for community and technical colleges and other local and regional
7 entities. Through this program the higher_education_coordinating
8 board(~~(s)~~) may award on a competitive basis incentive grants to state
9 public or_private_nonprofit institutions of higher education or
10 consortia of institutions to encourage (~~(cooperative)~~) programs
11 designed to address specific system problems. (~~(Grants-shall-not~~
12 ~~exceed-a-two-year-period.)~~) Each institution or consortia of
13 institutions receiving the award shall contribute some financial
14 support, either by covering part of the costs for the program during
15 its implementation, or by assuming continuing support at the end of the
16 grant period. Strong priority will be given to proposals that involve
17 more than one sector of education(~~(7-and-to-proposals-that-show~~
18 ~~substantive-institutional-commitment)~~). Institutions are encouraged to
19 solicit nonstate funds to support these cooperative programs.

20 **Sec. 8.** RCW 28B.120.020 and 1999 c 169 s 3 are each amended to
21 read as follows:

22 The higher education coordinating board shall have the following
23 powers and duties in administering the program for those proposals in
24 which a four-year institution of higher education is named as the lead
25 institution and fiscal agent:

26 (1) To adopt rules necessary to carry out the program;

27 (2) (~~(To-establish-one-or-more-review-committees-to-assist-in-the~~
28 ~~evaluation-of-proposals-for-funding.—The-review-committee-shall~~
29 ~~include-individuals-with-significant-experience-in-higher-education-in~~
30 ~~areas-relevant-to-one-or-more-of-the-funding-period-priorities-and~~
31 ~~shall-include-representatives-from-both-the-four-year-and-two-year~~
32 ~~sectors-of-higher-education;~~

33 ~~(3))~~ To award grants no later than September 1st in those years
34 when funding is available by June 30th;

35 (~~(4))~~) (3) To establish each biennium specific guidelines for
36 submitting grant proposals consistent with RCW_28B.120.005_and
37 consistent with the strategic master plan for higher education, the

1 system design plan, the overall goals of the program and ((consistent
2 with)) the guidelines established by the state board for community and
3 technical colleges under RCW 28B.120.025. ((During the 1999-01
4 biennium the guidelines shall be consistent with the following desired
5 outcomes of:

6 (a) ~~Minority and diversity initiatives that encourage the~~
7 ~~participation of minorities in higher education, including students~~
8 ~~with disabilities;~~

9 (b) ~~K-12 teacher preparation models that encourage collaboration~~
10 ~~between higher education and K-12 to improve the preparedness of~~
11 ~~teachers, including provisions for higher education faculty involved~~
12 ~~with teacher preparation to spend time teaching in K-12 schools;~~

13 (c) ~~Collaborative instructional programs involving K-12, community~~
14 ~~and technical colleges, and four-year institutions of higher education~~
15 ~~to develop a three-year degree program, or reduce the time to degree;~~

16 (d) ~~Contracts with public or private institutions or businesses to~~
17 ~~provide services or the development of collaborative programs;~~

18 (e) ~~Articulation and transfer activities to smooth the transfer of~~
19 ~~students from K-12 to higher education, or from the community colleges~~
20 ~~and technical colleges to four-year institutions;~~

21 (f) ~~Projects that further the development of learner-centered,~~
22 ~~technology-assisted course delivery; and~~

23 (g) ~~Projects that further the development of competency-based~~
24 ~~measurements of student achievement to be used as the basis for~~
25 ~~awarding degrees and certificates.))~~

26 After June 30, 2001, and each biennium thereafter, the board shall
27 determine funding priorities for ((collaborative)) proposals for the
28 biennium in consultation with the governor, the legislature, the office
29 of the superintendent of public instruction, the state board for
30 community and technical colleges, the workforce training and education
31 coordinating board, higher education institutions, educational
32 associations, and business and community groups consistent with
33 statewide needs;

34 ((+5)) (4) To solicit grant proposals and provide information to
35 the institutions of higher education about the program; and

36 ((+6)) (5) To establish reporting, evaluation, accountability,
37 monitoring, and dissemination requirements for the recipients of the
38 grants awarded by the higher education coordinating board.

1 **Sec. 9.** RCW 43.88D.010 and 2008 c 205 s 2 are each amended to read
2 as follows:

3 (1) By October (~~(15th)~~) 1st of each even-numbered year, the office
4 of financial management shall complete an objective analysis and
5 scoring of all capital budget projects proposed by the public four-year
6 institutions of higher education and submit the results of the scoring
7 process to the legislative fiscal committees, the higher education
8 coordinating board, and the four-year institutions(~~(, except that, for~~
9 ~~2008, the office of financial management shall complete the objective~~
10 ~~analysis and scoring by November 1st)~~). Each project must be reviewed
11 and scored within one of the following categories, according to the
12 project's principal purpose. Each project may be scored in only one
13 category. The categories are:

14 (a) Access-related projects to accommodate enrollment growth at
15 main and branch campuses, at existing or new university centers, or
16 through distance learning. Growth projects should provide significant
17 additional student capacity. Proposed projects must demonstrate that
18 they are based on solid enrollment demand projections, more
19 cost-effectively provide enrollment access than alternatives such as
20 university centers and distance learning, and make cost-effective use
21 of existing and proposed new space;

22 (b) Projects that replace failing permanent buildings (~~(or renovate~~
23 ~~facilities to restore building life and upgrade space to meet current~~
24 ~~program requirements)~~). Facilities that cannot be economically
25 renovated are considered replacement projects. (~~(Renovation projects~~
26 ~~should represent a complete renovation of a total facility or an~~
27 ~~isolated wing of a facility. A reasonable renovation project should~~
28 ~~cost between sixty to eighty percent of current replacement value and~~
29 ~~restore the renovated area to at least twenty five years of useful~~
30 ~~life.)~~) New space may be programmed for the same or a different use
31 than the space being replaced (~~(or renovated)~~) and may include
32 additions to improve access and enhance the relationship of program or
33 support space;

34 (c) Projects that renovate facilities to restore building life and
35 upgrade space to meet current program requirements. Renovation
36 projects should represent a complete renovation of a total facility or
37 an isolated wing of a facility. A reasonable renovation project should
38 cost between sixty to eighty percent of current replacement value and

1 restore the renovated area to at least twenty-five years of useful
2 life. New space may be programmed for the same or a different use than
3 the space being renovated and may include additions to improve access
4 and enhance the relationship of program or support space;

5 (d) Major stand-alone campus infrastructure projects;

6 ~~((d))~~ (e) Projects that promote economic growth and innovation
7 through expanded research activity. The acquisition and installation
8 of specialized equipment is authorized under this category; and

9 ~~((e))~~ (f) Other project categories as determined by the office of
10 financial management in consultation with the legislative fiscal
11 committees.

12 (2) The office of financial management, in consultation with the
13 legislative fiscal committees ~~((and the joint legislative audit and~~
14 ~~review committee))~~, shall establish a scoring system and process for
15 each four-year project category that is based on the framework used in
16 the community and technical college system of prioritization. Staff
17 from the state board for community and technical colleges, the higher
18 education coordinating board, and the four-year institutions shall
19 provide technical assistance on the development of a scoring system and
20 process.

21 (3) The office of financial management shall consult with the
22 legislative fiscal committees in the scoring of four-year institution
23 project proposals, and may also solicit participation by ~~((the joint~~
24 ~~legislative audit and review committee and))~~ independent experts.

25 (a) For each four-year project category, the scoring system must,
26 at a minimum, include an evaluation of enrollment trends,
27 reasonableness of cost, the ability of the project to enhance specific
28 strategic master plan goals, age and condition of the facility if
29 applicable, and impact on space utilization.

30 (b) Each four-year project category may include projects at the
31 predesign, design, or construction funding phase.

32 (c) To the extent possible, the objective analysis and scoring
33 system of all capital budget projects shall occur within the context of
34 any and all performance agreements between the office of financial
35 management and the governing board of a public, four-year institution
36 of higher education that aligns goals, priorities, desired outcomes,
37 flexibility, institutional mission, accountability, and levels of
38 resources.

1 (4) In evaluating and scoring four-year institution projects, the
2 office of financial management shall take into consideration project
3 schedules that result in realistic, balanced, and predictable
4 expenditure patterns over the ensuing three biennia.

5 (5) The office of financial management shall distribute common
6 definitions, the scoring system, and other information required for the
7 project proposal and scoring process as part of its biennial budget
8 instructions(~~(, except that, for the 2009-2011 budget development~~
9 ~~cycle, this information must be distributed by July 1, 2008))~~). The
10 office of financial management, in consultation with the legislative
11 fiscal committees (~~and the joint legislative audit and review~~
12 ~~committee~~)), shall develop common definitions that four-year
13 institutions must use in developing their project proposals and lists
14 under this section.

15 (6) In developing any scoring system for capital projects proposed
16 by the four-year institutions, the office of financial management:

17 (a) Shall be provided with all required information by the four-
18 year institutions as deemed necessary by the office of financial
19 management;

20 (b) May utilize independent services to verify, sample, or evaluate
21 information provided to the office of financial management by the four-
22 year institutions; and

23 (c) Shall have full access to all data maintained by the higher
24 education coordinating board and the joint legislative audit and review
25 committee concerning the condition of higher education facilities.

26 (7) By August (~~15th~~) 1st of each even-numbered year(~~(, beginning~~
27 ~~in 2008,)~~) each public four-year higher education institution shall
28 prepare and submit prioritized lists of the individual projects
29 proposed by the institution for the ensuing six-year period in each
30 category. (~~On a pilot basis, the office of financial management shall~~
31 ~~require one research university to prepare two separate prioritized~~
32 ~~lists for each category, one for the main campus, and one covering all~~
33 ~~of the institution's branch campuses. The office of financial~~
34 ~~management shall report to the legislative fiscal committees by~~
35 ~~December 1, 2009, on the effect of this pilot project on capital~~
36 ~~project financing for all branch campuses.)) The lists must be
37 submitted to the office of financial management and the legislative
38 fiscal committees. The four-year institutions may aggregate minor~~

1 works project proposals by primary purpose for ranking purposes.
2 Proposed minor works projects must be prioritized within the aggregated
3 proposal, and supporting documentation, including project descriptions
4 and cost estimates, must be provided to the office of financial
5 management and the legislative fiscal committees.

6 **Sec. 10.** RCW 28B.76.210 and 2008 c 205 s 4 are each amended to
7 read as follows:

8 (1) The board shall collaborate with the four-year institutions
9 including the council of presidents, the community and technical
10 college system, and when appropriate the workforce training and
11 education coordinating board, the superintendent of public instruction,
12 and the independent higher educational institutions to identify budget
13 priorities and levels of funding for higher education, including the
14 two and four-year institutions of higher education and state financial
15 aid programs. It is the intent of the legislature that recommendations
16 from the board reflect not merely the sum of budget requests from
17 multiple institutions, but prioritized funding needs for the overall
18 system of higher education.

19 (2) By December of each odd-numbered year, the board shall
20 distribute guidelines which outline the board's fiscal priorities to
21 the institutions and the state board for community and technical
22 colleges.

23 (a) The institutions and the state board for community and
24 technical colleges shall submit an outline of their proposed operating
25 budgets to the board no later than July 1st of each even-numbered year.
26 Pursuant to guidelines developed by the board, operating budget
27 outlines submitted by the institutions and the state board for
28 community and technical colleges after January 1, 2007, shall include
29 all policy changes and enhancements that will be requested by the
30 institutions and the state board for community and technical colleges
31 in their respective biennial budget requests. Operating budget
32 outlines shall include a description of each policy enhancement, the
33 dollar amount requested, and the fund source being requested.

34 (b) Capital budget outlines for the two-year institutions shall be
35 submitted by August 15th of each even-numbered year, and shall include
36 the prioritized ranking of the capital projects being requested, a

1 description of each capital project, and the amount and fund source
2 being requested.

3 (c) Capital budget outlines for the four-year institutions must be
4 submitted by August 15th of each even-numbered year, and must include:
5 The institutions' priority ranking of the project; the capital budget
6 category within which the project will be submitted to the office of
7 financial management in accordance with RCW 43.88D.010; a description
8 of each capital project; and the amount and fund source being
9 requested.

10 (d) The office of financial management shall reference these
11 reporting requirements in its budget instructions.

12 (3) The board shall review and evaluate the operating and capital
13 budget requests from four-year institutions and the community and
14 technical college system based on how the requests align with the
15 board's budget priorities, the missions of the institutions, and the
16 statewide strategic master plan for higher education under RCW
17 28B.76.200.

18 (4) The board shall submit recommendations on the proposed
19 operating budget and priorities to the office of financial management
20 by October 1st of each even-numbered year, and to the legislature by
21 January 1st of each odd-numbered year.

22 (5) The board's capital budget recommendations for the community
23 and technical college system and the four-year institutions must be
24 submitted to the office of financial management (~~((by November 15th of~~
25 ~~each even-numbered year))~~) and to the legislature by (~~((January 1st of~~
26 ~~each odd-numbered))~~) November 15th of each even-numbered year. The
27 board's recommendations for the four-year institutions must include
28 (~~((the relative share of the higher education capital budget that the~~
29 ~~board recommends be assigned to each project category, as defined in~~
30 ~~RCW 43.88D.010, and to minor works program and preservation))~~) a single,
31 prioritized list of the major projects that the board recommends be
32 funded with state bond and building account appropriations during the
33 forthcoming fiscal biennium. In developing this single prioritized
34 list, the board shall:

35 (a) Seek to identify the combination of projects that will most
36 cost-effectively achieve the state's goals. These goals include
37 increasing baccalaureate and graduate degree production, particularly
38 in high-demand fields; promoting economic development through research

1 and innovation; providing quality, affordable educational environments;
2 preserving existing assets; and maximizing the efficient utilization of
3 instructional space;

4 (b) Be guided by the objective analysis and scoring of capital
5 budget projects completed by the office of financial management
6 pursuant to chapter 43.88D RCW;

7 (c) Anticipate (i) that state bond and building account
8 appropriations continue at the same level during each of the two
9 subsequent fiscal biennia as has actually been appropriated for the
10 baccalaureate institutions during the current one; (ii) that major
11 projects funded for design during a biennium are funded for
12 construction during the subsequent one before state appropriations are
13 provided for new major projects; and (iii) that minor health, safety,
14 code, and preservation projects are funded at the same average level as
15 in recent biennia before state appropriations are provided for new
16 major projects.

17 ~~((+5))~~ (6) Institutions and the state board for community and
18 technical colleges shall submit any supplemental budget requests and
19 revisions to the board at the same time they are submitted to the
20 office of financial management. The board shall submit recommendations
21 on the proposed supplemental budget requests to the office of financial
22 management by November 1st and to the legislature by January 1st.

23 NEW SECTION. Sec. 11. A new section is added to chapter 28B.20
24 RCW to read as follows:

25 (1) This section provides an alternative process for awarding
26 contracts for construction, building, renovation, remodeling,
27 alteration, repair, or improvement of university buildings and
28 facilities in which critical patient care or highly specialized medical
29 research is located. These provisions may be used, in lieu of other
30 procedures to award contracts for such work, when the estimated cost of
31 the work is equal to or less than five million dollars and the project
32 involves construction, renovation, remodeling, or alteration of
33 improvements within a building that is used directly for critical
34 patient care or highly specialized medical research.

35 (2) The university may create a single critical patient care or
36 specialized medical research facilities roster or may create multiple
37 critical patient care or specialized medical research facilities

1 rosters for different trade specialties or categories of anticipated
2 work. At least once a year, the university shall publish in a
3 newspaper of general circulation a notice of the existence of the
4 roster or rosters and solicit a statement of qualifications from
5 contractors who wish to be on the roster or rosters of prime
6 contractors. In addition, qualified contractors shall be added to the
7 roster or rosters at any time they submit a written request, necessary
8 records, and meet the qualifications established by the university.
9 The university may require eligible contractors desiring to be placed
10 on a roster to keep current records of any applicable licenses,
11 certifications, registrations, bonding, insurance, or other appropriate
12 matters on file with the university as a condition of being placed on
13 a roster or rosters. Placement on a roster shall be on the basis of
14 qualifications.

15 (3) The public solicitation of qualifications shall include but not
16 be limited to:

17 (a) A description of the types of projects to be completed and
18 where possible may include programmatic, performance, and technical
19 requirements and specifications;

20 (b) The reasons for using the critical patient care and specialized
21 medical research roster process;

22 (c) A description of the qualifications to be required of a
23 contractor, including submission of an accident prevention program;

24 (d) A description of the process the university will use to
25 evaluate qualifications, including evaluation factors and the relative
26 weight of factors;

27 (e) The form of the contract to be awarded;

28 (f) A description of the administrative process by which the
29 required qualifications, evaluation process, and project types may be
30 appealed; and

31 (g) A description of the administrative process by which decisions
32 of the university may be appealed.

33 (4) The university shall establish a committee to evaluate the
34 contractors submitting qualifications. Evaluation criteria for
35 selection of the contractor or contractors to be included on a roster
36 shall include, but not be limited to:

37 (a) Ability of a contractor's professional personnel;

1 (b) A contractor's past performance on similar projects, including
2 but not limited to medical facilities, and involving either negotiated
3 work or other public works contracts;

4 (c) The contractor's ability to meet time and budget requirements;

5 (d) The contractor's ability to provide preconstruction services,
6 as appropriate;

7 (e) The contractor's capacity to successfully complete the project;

8 (f) The contractor's approach to executing projects;

9 (g) The contractor's approach to safety and the contractor's safety
10 history; and

11 (h) The contractor's record of performance, integrity, judgment,
12 and skills.

13 (5) Contractors meeting the evaluation committee's criteria for
14 selection must be placed on the applicable roster or rosters.

15 (6) When a project is selected for delivery through this roster
16 process, the university must establish a procedure for securing written
17 quotations from all contractors on a roster to assure that a
18 competitive price is established. Invitations for quotations shall
19 include an estimate of the scope and nature of the work to be performed
20 as well as materials and equipment to be furnished. Plans and
21 specifications must be included in the invitation but may not be
22 detailed. Award of a project must be made to the responsible bidder
23 submitting the lowest responsive bid.

24 (7) The university shall make an effort to solicit proposals from
25 certified minority or certified woman-owned contractors to the extent
26 permitted by the Washington state civil rights act, RCW 49.60.400.

27 (8) Beginning in September 2010 and every other year thereafter,
28 the university shall provide a report to the capital projects advisory
29 review board which must, at a minimum, include a list of rosters used,
30 contracts awarded, and a description of outreach to and participation
31 by women and minority-owned businesses.

32 NEW SECTION. **Sec. 12.** A new section is added to chapter 43.131
33 RCW to read as follows:

34 The alternative process for awarding contracts established in
35 section 11 of this act terminates June 30, 2015, as provided in section
36 13 of this act.

1 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.131
2 RCW to read as follows:
3 Section 11 of this act, as now existing or hereafter amended, is
4 repealed, effective June 30, 2016.

 Passed by the Senate March 11, 2010.

 Passed by the House March 10, 2010.

 Approved by the Governor March 29, 2010.

 Filed in Office of Secretary of State March 30, 2010.