CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1107**

Chapter 52, Laws of 2017

65th Legislature

2017 Regular Session

HIGHER EDUCATION BRANCH CAMPUSES--RENAMING

EFFECTIVE DATE: 7/23/2017

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| Passed by the House February 1, 2017Yeas 91 Nays 6FRANK CHOPP**Speaker of the House of Representatives**Passed by the Senate April 5, 2017Yeas 48 Nays 0CYRUS HABIB**President of the Senate** | CERTIFICATEI, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1107** as passed by House of Representatives and the Senate on the dates hereon set forth.BERNARD DEAN**Chief Clerk** |
| Approved April 19, 2017 11:12 AM | April 19, 2017 |
| JAY INSLEE**Governor of the State of Washington** | **Secretary of State** **State of Washington** |

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**HOUSE BILL 1107**

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Passed Legislature - 2017 Regular Session

**State of Washington 65th Legislature 2017 Regular Session**

**By** Representatives Haler, Wylie, Riccelli, Shea, Stanford, Robinson, Fey, Tarleton, and Pollet

AN ACT Relating to eliminating the term "branch" as an identifying factor for extensions of the public institutions of higher education; and amending RCW 28B.12.030, 28B.15.0139, 28B.45.010, 28B.45.012, 28B.45.014, 28B.45.020, 28B.45.0201, 28B.45.030, 28B.45.040, 28B.45.080, 28B.50.820, 34.05.514, 44.28.816, 43.41.393, 43.88D.010, and 84.14.010.

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

**Sec.**  RCW 28B.12.030 and 2012 c 229 s 519 are each amended to read as follows:

As used in this chapter, the following words and terms shall have the following meanings, unless the context shall clearly indicate another or different meaning or intent:

(1) The term "needy student" shall mean a student enrolled or accepted for enrollment at a postsecondary institution who, according to a system of need analysis approved by the office of student financial assistance, demonstrates a financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter.

(2) The term "eligible institution" shall mean any postsecondary institution in this state accredited by the Northwest Association of Schools and Colleges, or a ((~~branch~~)) campus of a member institution of an accrediting association recognized by rule of the student achievement council for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, or any public technical college in the state.

**Sec.**  RCW 28B.15.0139 and 2009 c 158 s 2 are each amended to read as follows:

For the purposes of determining resident tuition rates, "resident student" includes a resident of Oregon, residing in Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington county, who meets the following conditions:

(1) The student is eligible to pay resident tuition rates under Oregon laws and has been domiciled in Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington county for at least ninety days immediately before enrollment at a community college located in Asotin, Benton, Clark, Columbia, Cowlitz, Franklin, Garfield, Klickitat, Pacific, Skamania, Wahkiakum, or Walla Walla county, Washington;

(2) The student is enrolled in courses located at the Tri-Cities or Vancouver ((~~branch~~)) campus of Washington State University for eight credits or less; or

(3) The student is currently domiciled in Washington and:

(a) Was eligible to pay resident tuition rates under Oregon laws; and

(b) Had been domiciled in Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington county for at least ninety days immediately before being domiciled in Washington.

**Sec.**  RCW 28B.45.010 and 1989 1st ex.s. c 7 s 1 are each amended to read as follows:

The legislature finds that the benefits of higher education should be more widely available to the citizens of the state of Washington. The legislature also finds that a citizen's place of residence can restrict that citizen's access to educational opportunity at the upper-division and graduate level.

Because most of the state-supported baccalaureate universities are located in areas removed from major metropolitan areas, the legislature finds that many of the state's citizens, especially those citizens residing in the central Puget Sound area, the Tri-Cities, Spokane, Vancouver, and Yakima, have insufficient and inequitable access to upper-division baccalaureate and graduate education.

This lack of sufficient educational opportunities in urban areas makes it difficult or impossible for place-bound individuals, who are unable to relocate, to complete a baccalaureate or graduate degree. It also exacerbates the difficulty financially needy students have in attending school, since many of those students need to work, and work is not always readily available in some communities where the baccalaureate institutions of higher education are located.

The lack of sufficient educational opportunities in metropolitan areas also affects the economy of the underserved communities. Businesses benefit from access to the research and teaching capabilities of institutions of higher education. The absence of these institutions from some of the state's major urban centers prevents beneficial interaction between businesses in these communities and the state's universities.

The Washington state master plan for higher education, adopted by the higher education coordinating board, recognizes the need to expand upper-division and graduate educational opportunities in the state's large urban centers. The board has also attempted to provide a means for helping to meet future educational demand through a system of ((~~branch~~)) campuses in the state's major urban areas.

The legislature endorses the assignment of responsibility to serve these urban centers that the board has made to various institutions of higher education. The legislature also endorses the creation of ((~~branch~~)) campuses for the University of Washington and Washington State University.

The legislature recognizes that, among their other responsibilities, the state's comprehensive community colleges share with the four-year universities and colleges the responsibility of providing the first two years of a baccalaureate education. It is the intent of the legislature that the four-year institutions and the community colleges work as cooperative partners to ensure the successful and efficient operation of the state's system of higher education. The legislature further intends that the four-year institutions work cooperatively with the community colleges to ensure that ((~~branch~~)) the campuses created under this chapter are operated as models of a two plus two educational system.

**Sec.**  RCW 28B.45.012 and 2004 c 57 s 1 are each amended to read as follows:

(1) In 1989, the legislature created five ((~~branch~~)) campuses to be operated by the state's two public research universities. Located in growing urban areas, the ((~~branch~~)) campuses were charged with two missions:

(a) Increasing access to higher education by focusing on upper-division and graduate programs, targeting placebound students, and operating as models of a two plus two educational system in cooperation with the community colleges; and

(b) Promoting regional economic development by responding to demand for degrees from local businesses and supporting regional economies through research activities.

(2) Fifteen years later, the legislature finds that ((~~branch~~)) the campuses are responding to their original mission:

(a) ((~~Branch~~)) The campuses accounted for half of statewide upper-division and graduate public enrollment growth since 1990;

(b) ((~~Branch~~)) The campuses have grown steadily and enroll increasing numbers of transfer students each year;

(c) ((~~Branch~~)) The campuses enroll proportionately more older and part-time students than their main campuses and attract increasing proportions of students from nearby counties;

(d) Although the extent of their impact has not been measured, ((~~branch~~)) these campuses positively affect local economies and offer degree programs that roughly correspond with regional occupational projections; and

(e) The capital investments made by the state to support ((~~branch~~)) the campuses represent a significant benefit to regional economic development.

(3) However, the legislature also finds the policy landscape in higher education has changed since the original creation of the ((~~branch~~)) campuses. Demand for access to baccalaureate and graduate education is increasing rapidly. Economic development efforts increasingly recognize the importance of focusing on local and regional economic clusters and improving collaboration among communities, businesses, and colleges and universities. Each ((~~branch~~)) campus has evolved into a unique institution, and it is appropriate to assess the nature of this evolution to ensure the role and mission of each campus is aligned with the state's higher education goals and the needs of the region where the campus is located.

(4) Therefore, it is the legislature's intent to recognize the unique nature of Washington's higher education ((~~branch~~)) campuses created under this chapter, reaffirm the role and mission of each, and set the course for their continued future development.

(5) It is the further intent of the legislature that the campuses be identified by the following names: University of Washington Bothell, University of Washington Tacoma, Washington State University Tri-Cities, and Washington State University Vancouver.

**Sec.**  RCW 28B.45.014 and 2012 c 229 s 531 are each amended to read as follows:

(1) The primary mission of the higher education ((~~branch~~)) campuses created under this chapter remains to expand access to baccalaureate and graduate education in underserved urban areas of the state in collaboration with community and technical colleges. The top priority for each of the campuses is to expand courses and degree programs for transfer and graduate students. New degree programs should be driven by the educational needs and demands of students and the community, as well as the economic development needs of local businesses and employers.

(2) ((~~Branch~~)) The campuses created under this chapter shall collaborate with the community and technical colleges in their region to develop articulation agreements, dual admissions policies, and other partnerships to ensure that ((~~branch~~)) the campuses serve as innovative models of a two plus two educational system. Other possibilities for collaboration include but are not limited to joint development of curricula and degree programs, colocation of instruction, and arrangements to share faculty.

(3) In communities where a private postsecondary institution is located, representatives of the private institution may be invited to participate in the conversation about meeting the baccalaureate and graduate needs in underserved urban areas of the state.

(4) However, the legislature recognizes there are alternative models for achieving this primary mission. Some campuses may have additional missions in response to regional needs and demands. At selected ((~~branch~~)) campuses, an innovative combination of instruction and research targeted to support regional economic development may be appropriate to meet the region's needs for both access and economic viability. Other campuses should focus on becoming models of a two plus two educational system through continuous improvement of partnerships and agreements with community and technical colleges. Still other campuses may be best suited to transition to a four-year university ((~~or be removed from designation as a branch campus entirely~~)).

(5) The legislature recognizes that size, mix of degree programs, and proportion of lower versus upper-division and graduate enrollments are factors that affect costs at ((~~branch~~)) the campuses. However over time, the legislature intends that ((~~branch~~)) the campuses be funded more similarly to regional universities.

(6) Research universities are authorized to develop doctoral degree programs at their ((~~branch~~)) campuses.

(7) The student achievement council shall monitor and evaluate growth of the ((~~branch~~)) campuses and periodically report and make recommendations to the higher education committees of the legislature to ensure the campuses continue to follow the priorities established under this chapter.

**Sec.**  RCW 28B.45.020 and 2013 c 23 s 54 are each amended to read as follows:

(1) The University of Washington is responsible for ensuring the expansion of baccalaureate and graduate educational programs in the central Puget Sound area under rules or guidelines adopted by the student achievement council and in accordance with proportionality agreements emphasizing access for transfer students developed with the state board for community and technical colleges. The University of Washington shall meet that responsibility through the operation of at least two ((~~branch~~)) campuses. One ((~~branch~~)) campus shall be located in the Tacoma area. Another ((~~branch~~)) campus shall be collocated with Cascadia Community College in the Bothell-Woodinville area.

(2) At the University of Washington Tacoma, a top priority is expansion of upper-division capacity for transfer students and graduate capacity and programs. Beginning in the fall of 2006, the campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus shall admit lower division students through coadmission or coenrollment agreements with a community college, or through direct transfer for students who have accumulated approximately one year of transferable college credits. In addition to offering lower division courses linked to specific majors as addressed above, the campus may also directly admit first-year students and sophomores.

(3) At the University of Washington Bothell, a top priority is expansion of upper-division capacity for transfer students and graduate capacity and programs. The campus shall also seek additional opportunities to collaborate with and maximize its colocation with Cascadia Community College. Beginning in the fall of 2006, the campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus may admit lower division students through coadmission or coenrollment agreements with a community college, or through direct transfer for students who have accumulated approximately one year of transferable college credits. In addition to offering lower division courses linked to specific majors as addressed above, the campus may also directly admit first-year students and sophomores.

**Sec.**  RCW 28B.45.0201 and 2011 c 118 s 2 are each amended to read as follows:

The legislature finds that population growth in north King and south Snohomish counties has created a need to expand higher education and workforce training programs for the people living and working in those areas. In keeping with the recommendations of the higher education coordinating board, the legislature intends to help address those education and training needs through the creation of Cascadia Community College, expansion of educational opportunities at Lake Washington Institute of Technology, and support of the University of Washington's ((~~branch~~)) campus at Bothell-Woodinville. It is further the intention of the legislature, in keeping with the higher education coordinating board recommendations, that the Cascadia Community College and the University of Washington ((~~branch~~)) Bothell-Woodinville campus be collocated, and that the new community college and the University of Washington's ((~~branch~~)) Bothell-Woodinville campus work in partnership to ensure that properly prepared students from community colleges and other institutions are able to transfer smoothly to the ((~~branch~~)) Bothell-Woodinville campus.

The legislature further finds that a governing board for Cascadia Community College needs to be appointed and confirmed as expeditiously as possible. The legislature intends to work cooperatively with the governor to facilitate the appointment and confirmation of trustees for the college.

**Sec.**  RCW 28B.45.030 and 2013 c 23 s 55 are each amended to read as follows:

(1) Washington State University is responsible for providing baccalaureate and graduate level higher education programs to the citizens of the Tri-Cities area, under rules or guidelines adopted by the student achievement council and in accordance with proportionality agreements emphasizing access for transfer students developed with the state board for community and technical colleges. Washington State University shall meet that responsibility through the operation of a ((~~branch~~)) campus in the Tri-Cities area. The ((~~branch~~)) Tri-Cities campus shall replace and supersede the Tri-Cities university center. All land, facilities, equipment, and personnel of the Tri-Cities university center shall be transferred from the University of Washington to Washington State University.

(2) Beginning in the fall of 2007, the Washington State University Tri-Cities ((~~branch~~)) campus may directly admit first-year students and sophomore students.

**Sec.**  RCW 28B.45.040 and 2013 c 23 s 56 are each amended to read as follows:

(1) Washington State University is responsible for providing baccalaureate and graduate level higher education programs to the citizens of the southwest Washington area, under rules or guidelines adopted by the student achievement council and in accordance with proportionality agreements emphasizing access for transfer students developed with the state board for community and technical colleges. Washington State University shall meet that responsibility through the operation of a ((~~branch~~)) campus in the southwest Washington area.

(2) Washington State University Vancouver shall expand upper-division capacity for transfer students and graduate capacity and programs and continue to collaborate with local community colleges on coadmission and coenrollment programs. In addition, beginning in the fall of 2006, the campus may admit lower division students directly. By simultaneously admitting first-year students and sophomores, increasing transfer enrollment, coadmitting transfer students, and expanding graduate and professional programs, the campus shall develop into a four-year institution serving the southwest Washington region.

**Sec.**  RCW 28B.45.080 and 2012 c 229 s 535 are each amended to read as follows:

The state board for community and technical colleges and the student achievement council shall adopt performance measures to ensure a collaborative partnership between the community and technical colleges and the ((~~branch~~)) campuses created under this chapter. The partnership shall be one in which the community and technical colleges prepare students for transfer to the upper-division programs of the ((~~branch~~)) campuses and the ((~~branch~~)) campuses work with community and technical colleges to enable students to transfer and obtain degrees efficiently.

**Sec.**  RCW 28B.50.820 and 2012 c 229 s 538 are each amended to read as follows:

(1) One strategy to accomplish expansion of baccalaureate capacity in underserved regions of the state is to allocate state funds for student enrollment to a community and technical college and authorize the college to enter into agreements with a state university, regional university, or state college as defined in RCW 28B.10.016, to offer baccalaureate degree programs.

(2) Subject to legislative appropriation for the purpose described in this section, the college board shall select and allocate funds to three community or technical colleges for the purpose of entering into an agreement with one or more state universities, regional universities, or the state college to offer baccalaureate degree programs on the college campus.

(3) The college board shall select the community or technical college based on analysis of gaps in service delivery, capacity, and student and employer demand for programs. Before taking effect, the agreement under this section must be approved by the student achievement council.

(4) Students enrolled in programs under this section are considered students of the state university, regional university, ((~~branch campus,~~)) or state college for all purposes including tuition and reporting of state-funded enrollments.

**Sec.**  RCW 34.05.514 and 2008 c 128 s 16 are each amended to read as follows:

(1) Except as provided in subsections (2) through (4) of this section, proceedings for review under this chapter shall be instituted by paying the fee required under RCW 36.18.020 and filing a petition in the superior court, at the petitioner's option, for (a) Thurston county, (b) the county of the petitioner's residence or principal place of business, or (c) in any county where the property owned by the petitioner and affected by the contested decision is located.

(2) For proceedings involving institutions of higher education, the petition shall be filed either in the county in which the principal office of the institution involved is located or in the county of ((~~a branch~~)) an institution's campus if the action involves such ((~~branch~~)) campus.

(3) For proceedings conducted by the pollution control hearings board pursuant to chapter 43.21B RCW or as otherwise provided in RCW 90.03.210(2) involving decisions of the department of ecology on applications for changes or transfers of water rights that are the subject of a general adjudication of water rights that is being litigated actively under chapter 90.03 or 90.44 RCW, the petition must be filed with the superior court conducting the adjudication, to be consolidated by the court with the general adjudication. A party to the adjudication shall be a party to the appeal under this chapter only if the party files or is served with a petition for review to the extent required by this chapter.

(4) For proceedings involving appeals of examinations or evaluation exercises of the board of pilotage commissioners under chapter 88.16 RCW, the petition must be filed either in Thurston county or in the county in which the board maintains its principal office.

**Sec.**  RCW 44.28.816 and 2014 c 162 s 3 are each amended to read as follows:

(1) During calendar year 2018, the joint committee shall complete a systemic performance audit of the tuition-setting authority in RCW 28B.15.067 granted to the governing boards of the state universities, regional universities, and The Evergreen State College. The audit must include a separate analysis of ((~~both~~)) the authority granted in RCW 28B.15.067((~~(3) and the authority in RCW 28B.15.067(4)~~)) (5). The purpose of the audit is to evaluate the impact of institutional tuition-setting authority on student access, affordability, and completion.

(2) The audit must include an evaluation of the following outcomes for each four-year institution of higher education:

(a) Changes in undergraduate enrollment, retention, and graduation by race and ethnicity, gender, state and county of origin, age, and socioeconomic status;

(b) The impact on student transferability, particularly from Washington community and technical colleges;

(c) Changes in time and credits to degree;

(d) Changes in the number and availability of online programs and undergraduate enrollments in the programs;

(e) Changes in enrollments in the running start and other dual enrollment programs;

(f) Impacts on funding levels for state student financial aid programs;

(g) Any changes in the percent of students who apply for student financial aid using the free application for federal student aid (FAFSA);

(h) Any changes in the percent of students who apply for available tax credits;

(i) Information on the use of building fee revenue by fiscal or academic year; and

(j) Undergraduate tuition and fee rates compared to undergraduate tuition and fee rates at similar institutions in the global challenge states.

(3) The audit must include recommendations on whether to continue tuition-setting authority beyond the 2018-19 academic year.

(4) In conducting the audit, the auditor shall solicit input from key higher education stakeholders, including but not limited to students and their families, faculty, and staff. To the maximum extent possible, data for the University of Washington and Washington State University shall be disaggregated by ((~~branch~~)) campus.

(5) The auditor shall report findings and recommendations to the appropriate committees of the legislature by December 15, 2018.

(6) This section expires December 31, 2018.

**Sec.**  RCW 43.41.393 and 2015 3rd sp.s. c 1 s 215 are each amended to read as follows:

The office, in conjunction with the K-20 network users, shall maintain a technical plan of the K-20 telecommunications system and ongoing system enhancements. The office shall ensure that the technical plan adheres to the goals and objectives established under RCW 43.105.054. The technical plan shall provide for:

(1) A telecommunications backbone connecting educational service districts, the main campuses of public baccalaureate institutions, all of the ((~~branch~~)) campuses of public research institutions, and the main campuses of community colleges and technical colleges.

(2)(a) Connection to the K-20 network by entities that include, but need not be limited to: School districts, public higher education off-campus and extension centers, and ((~~branch~~)) campuses of community colleges and technical colleges, as prioritized by the chief information officer; (b) distance education facilities and components for entities listed in this subsection and subsection (1) of this section; and (c) connection for independent nonprofit institutions of higher education, provided that:

(i) The office and each independent nonprofit institution of higher education to be connected agree in writing to terms and conditions of connectivity. The terms and conditions shall ensure, among other things, that the provision of K-20 services does not violate Article VIII, section 5 of the state Constitution and that the institution shall adhere to K-20 network policies; and

(ii) The office determines that inclusion of the independent nonprofit institutions of higher education will not significantly affect the network's eligibility for federal universal service fund discounts or subsidies.

(3) Subsequent phases may include, but need not be limited to, connections to public libraries, state and local governments, community resource centers, and the private sector.

**Sec.**  RCW 43.88D.010 and 2012 c 229 s 821 are each amended to read as follows:

(1) By October 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions of higher education and submit the results of the scoring process to the legislative fiscal committees and the four-year institutions. Each project must be reviewed and scored within one of the following categories, according to the project's principal purpose. Each project may be scored in only one category. The categories are:

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

(b) Projects that replace failing permanent buildings. Facilities that cannot be economically renovated are considered replacement projects. New space may be programmed for the same or a different use than the space being replaced and may include additions to improve access and enhance the relationship of program or support space;

(c) Projects that renovate facilities to restore building life and upgrade space to meet current program requirements. Renovation projects should represent a complete renovation of a total facility or an isolated wing of a facility. A reasonable renovation project should cost between sixty to eighty percent of current replacement value and restore the renovated area to at least twenty-five years of useful life. New space may be programmed for the same or a different use than the space being renovated and may include additions to improve access and enhance the relationship of program or support space;

(d) Major stand-alone campus infrastructure projects;

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

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

(2) The office of financial management, in consultation with the legislative fiscal committees, shall establish a scoring system and process for each four-year project category that is based on the framework used in the community and technical college system of prioritization. Staff from the state board for community and technical colleges and the four-year institutions shall provide technical assistance on the development of a scoring system and process.

(3) The office of financial management shall consult with the legislative fiscal committees in the scoring of four-year institution project proposals, and may also solicit participation by independent experts.

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

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

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

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

(5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that four-year institutions must use in developing their project proposals and lists under this section.

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

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

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

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

(7) By August 1st of each even-numbered year each public four-year higher education institution shall prepare and submit prioritized lists of the individual projects proposed by the institution for the ensuing six-year period in each category. The lists must be submitted to the office of financial management and the legislative fiscal committees. The four-year institutions may aggregate minor works project proposals by primary purpose for ranking purposes. Proposed minor works projects must be prioritized within the aggregated proposal, and supporting documentation, including project descriptions and cost estimates, must be provided to the office of financial management and the legislative fiscal committees.

**Sec.**  RCW 84.14.010 and 2014 c 96 s 3 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affordable housing" means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income. For the purposes of housing intended for owner occupancy, "affordable housing" means residential housing that is within the means of low or moderate‑income households.

(2) "Campus facilities master plan" means the area that is defined by the University of Washington as necessary for the future growth and development of its campus facilities for ((~~branch~~)) campuses authorized under RCW 28B.45.020.

(3) "City" means either (a) a city or town with a population of at least fifteen thousand, (b) the largest city or town, if there is no city or town with a population of at least fifteen thousand, located in a county planning under the growth management act, or (c) a city or town with a population of at least five thousand located in a county subject to the provisions of RCW 36.70A.215.

(4) "County" means a county with an unincorporated population of at least three hundred fifty thousand.

(5) "Governing authority" means the local legislative authority of a city or a county having jurisdiction over the property for which an exemption may be applied for under this chapter.

(6) "Growth management act" means chapter 36.70A RCW.

(7) "High cost area" means a county where the third quarter median house price for the previous year as reported by the Washington center for real estate research at Washington State University is equal to or greater than one hundred thirty percent of the statewide median house price published during the same time period.

(8) "Household" means a single person, family, or unrelated persons living together.

(9) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development. For cities located in high‑cost areas, "low‑income household" means a household that has an income at or below one hundred percent of the median family income adjusted for family size, for the county where the project is located.

(10) "Moderate‑income household" means a single person, family, or unrelated persons living together whose adjusted income is more than eighty percent but is at or below one hundred fifteen percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development. For cities located in high‑cost areas, "moderate‑income household" means a household that has an income that is more than one hundred percent, but at or below one hundred fifty percent, of the median family income adjusted for family size, for the county where the project is located.

(11) "Multiple-unit housing" means a building having four or more dwelling units not designed or used as transient accommodations and not including hotels and motels. Multifamily units may result from new construction or rehabilitated or conversion of vacant, underutilized, or substandard buildings to multifamily housing.

(12) "Owner" means the property owner of record.

(13) "Permanent residential occupancy" means multiunit housing that provides either rental or owner occupancy on a nontransient basis. This includes owner-occupied or rental accommodation that is leased for a period of at least one month. This excludes hotels and motels that predominately offer rental accommodation on a daily or weekly basis.

(14) "Rehabilitation improvements" means modifications to existing structures, that are vacant for twelve months or longer, that are made to achieve a condition of substantial compliance with existing building codes or modification to existing occupied structures which increase the number of multifamily housing units.

(15) "Residential targeted area" means an area within an urban center or urban growth area that has been designated by the governing authority as a residential targeted area in accordance with this chapter. With respect to designations after July 1, 2007, "residential targeted area" may not include a campus facilities master plan.

(16) "Rural county" means a county with a population between fifty thousand and seventy-one thousand and bordering Puget Sound.

(17) "Substantial compliance" means compliance with local building or housing code requirements that are typically required for rehabilitation as opposed to new construction.

(18) "Urban center" means a compact identifiable district where urban residents may obtain a variety of products and services. An urban center must contain:

(a) Several existing or previous, or both, business establishments that may include but are not limited to shops, offices, banks, restaurants, governmental agencies;

(b) Adequate public facilities including streets, sidewalks, lighting, transit, domestic water, and sanitary sewer systems; and

(c) A mixture of uses and activities that may include housing, recreation, and cultural activities in association with either commercial or office, or both, use.

**--- END ---**

Passed by the House February 1, 2017.

Passed by the Senate April 5, 2017.

Approved by the Governor April 19, 2017.

Filed in Office of Secretary of State April 19, 2017.