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SECOND SUBSTITUTE HOUSE BILL 2214

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State of Washington

55th Legislature

1997 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Huff, Clements, Carlson, Alexander, Mastin, McMorris, Buck, Mitchell, O'Brien, Backlund, D. Sommers, L. Thomas, Cooke and Dyer)

Read first time 04/07/97.

1 AN ACT Relating to employment and training; amending RCW 50.16.090,  
2 50.16.096, and 28B.15.820; adding new sections to chapter 28B.50 RCW;  
3 creating new sections; repealing RCW 43.131.377, 50.16.094, and  
4 50.12.261; providing an effective date; and declaring an emergency.

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

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

7 (1) The economy of the state depends on a well-trained work force  
8 that generates productivity needed by employers to compete in the  
9 global economy and to pay workers a reasonable wage.

10 (2) Many of Washington's unemployed workers need new or enhanced  
11 work force skills to meet current demand in the labor market, and many  
12 find they are unlikely to return to their principal occupation or  
13 previous industry because their particular skills are no longer  
14 demanded.

15 (3) It is imperative that unemployed workers have access to a  
16 training system that allows them to enter training as quickly as  
17 possible, to return to the work force soon after training is completed,  
18 and to focus on occupational skills and vocational education.

1 (4) Unemployed workers need access to assistance to complete any  
2 necessary training that efficiently utilizes all available sources of  
3 assistance to students and individuals in training while serving the  
4 needs of as many unemployed workers as possible.

5 The legislature intends to focus the work force training system,  
6 and the community and technical college system in particular, on  
7 developing and maintaining a training system for unemployed workers  
8 that meets the labor market demand in Washington for well-trained  
9 workers.

10 **Sec. 2.** RCW 50.16.090 and 1993 c 226 s 4 are each amended to read  
11 as follows:

12 There is hereby established the employment and training trust fund.  
13 All moneys in this fund are irrevocably vested for the administration  
14 of this title. The employment and training trust fund shall consist of  
15 all moneys from employment and training trust fund contributions as  
16 established in RCW 50.24.018. The treasurer of the employment security  
17 department shall deposit, administer, and disburse all moneys in the  
18 fund under rules adopted by the commissioner and RCW 43.01.050 and  
19 43.84.092 are not applicable to this fund. The treasurer of the  
20 employment security department shall be the treasurer of the employment  
21 and training trust fund as described in RCW 50.16.020 and shall give a  
22 bond conditioned upon the faithful performance of his or her duties in  
23 connection with the fund. All sums recovered on the official bond for  
24 losses sustained by the employment and training trust fund must be  
25 deposited in the fund. Notwithstanding any provision of this section,  
26 all moneys received and deposited in the fund (~~(under chapter 226, Laws~~  
27 ~~of 1993,)~~) shall remain part of the employment and training trust fund  
28 and may be used solely for the following purposes:

29 (1) Providing training and financial assistance and related support  
30 services(~~(, including financial aid,)~~) to individuals who have been  
31 terminated or have received a notice of termination from employment,  
32 and who are eligible for or have exhausted their entitlement to  
33 unemployment compensation benefits within the previous twenty-four  
34 months; and

35 (2) (~~Assisting workers in finding employment through job referral,~~  
36 ~~job development, counseling, and referral to training resources;~~

37 (3) ~~Obtaining labor market information necessary for the~~  
38 ~~administration of the unemployment insurance program and to assist~~

1 unemployed workers in finding employment. In obtaining the information  
2 the employment security department shall ensure the inclusion of  
3 information gathered from small businesses as defined in RCW 43.31.025,  
4 with particular emphasis on businesses with fifteen or fewer employees;

5 (4) Performing research by an independent state auditing agency or  
6 an independent contractor to determine effectiveness of unemployment  
7 insurance programs and to determine whether program changes would  
8 benefit workers and employers;

9 (5)) Collecting contributions for and administration of the  
10 employment and training trust fund((;

11 (6) Improving service through improved use of information  
12 technology; and

13 (7) Establishing collocation employment security and job service  
14 outstations at community and technical college campuses across the  
15 state. These outstations shall provide a one stop point of access for  
16 unemployed and dislocated workers seeking job placement services,  
17 training program information, and labor market information. In  
18 communities without co-located outstations the local job service center  
19 and community or technical college shall collaborate to provide these  
20 services)).

21 **Sec. 3.** RCW 50.16.096 and 1993 c 226 s 8 are each amended to read  
22 as follows:

23 ((+1)) The employment security department shall disburse the  
24 amounts appropriated by the legislature ((for the purposes of chapter  
25 226, Laws of 1993)) from the employment and training trust fund to the  
26 state board for community and technical colleges for unemployed worker  
27 retraining under section 5 of this act. ((These funds shall be  
28 allotted for, and only for, training programs and related support  
29 services, including financial aid, in the community and technical  
30 college system that:

31 (a) Are consistent with work force training priorities and based  
32 upon the comprehensive plan for work force training developed by the  
33 work force training and education coordinating board. The state board  
34 for community and technical colleges shall develop a plan for use and  
35 evaluation of these funds which is to be approved by the work force  
36 training and education coordinating board for consistency with their  
37 work force priorities. In developing and approving the plan,  
38 information shall be gathered from small businesses as defined in RCW

1 43.31.025, with particular emphasis on businesses with fifteen or fewer  
2 employees. Further, the state board for community and technical  
3 colleges shall report to the work force training and education  
4 coordinating board and the legislature annually on the progress and  
5 results of the training and support services provided to eligible  
6 participants;

7 (b) Provide increased enrollments for individuals who have been  
8 terminated or have received a notice of termination from employment,  
9 and who are eligible for or have exhausted their entitlement to  
10 unemployment compensation benefits within the previous twenty four  
11 months, with first priority given to individuals who are unlikely to  
12 return to employment in the individuals' principal occupation or  
13 previous industry because of a diminishing demand for their skills in  
14 that occupation or industry; and

15 (c) Provide increased enrollments and support services, including  
16 financial aid, that do not replace or supplant any existing  
17 enrollments, programs, support services, or funding sources. For  
18 fiscal year 1994, the state board for community and technical colleges  
19 may borrow from the general fund to initiate the programs authorized  
20 under chapter 226, Laws of 1993. However, the board shall repay the  
21 borrowed amount by the end of the fiscal biennium from funds  
22 appropriated to it from the employment and training trust fund.

23 (2) For purposes of chapter 226, Laws of 1993, training provided by  
24 the community and technical colleges shall only consist of basic skills  
25 and literacy, occupational skills, vocational education, and related or  
26 supplemental instruction for apprentices who are enrolled in a  
27 registered, state-approved apprenticeship program. Community and  
28 technical colleges may contract with skill centers to provide training  
29 authorized in this section. Upon the request of an eligible recipient,  
30 a community and technical college may contract with a private technical  
31 school for specialized vocational training. Available tuition for the  
32 training is limited to the amount that would otherwise be obtained per  
33 enrolled quarter to a public institution. Furthermore, the funding is  
34 only available to students who seek training in a course of study not  
35 available at a public institution within an eligible recipient's  
36 congressional district.))

37 NEW SECTION. **Sec. 4.** A new section is added to chapter 28B.50 RCW  
38 to read as follows:

1 (1) The college board shall establish a job retraining advisory  
2 committee to review and approve proposals from community and technical  
3 colleges, private vocational schools, and state and federally approved  
4 apprenticeship programs.

5 (2) Membership on the job retraining advisory committee must  
6 include at least three members representing business, three members  
7 representing labor, a member representing the state board for community  
8 and technical colleges, a member representing the employment security  
9 department, and a member representing private vocational schools.  
10 Additional members may be appointed as deemed appropriate by the  
11 college board. However, business and labor members shall represent a  
12 majority of the total committee membership.

13 (3) In reviewing and approving proposals, the advisory committee  
14 shall consider at least the following criteria:

15 (a) Training must prepare students for occupations that have  
16 demonstrated employment demand for qualified workers;

17 (b) Training programs must lead to jobs that provide a living wage  
18 appropriate to the local labor market;

19 (c) Dislocated workers shall have priority access to training  
20 programs and financial assistance under section 5 of this act.

21 NEW SECTION. **Sec. 5.** A new section is added to chapter 28B.50 RCW  
22 to read as follows:

23 (1) Any money appropriated by the legislature to the state board  
24 for community and technical colleges for the purposes of retraining  
25 unemployed workers may be allotted and expended only for:

26 (a) Training programs approved by the job retraining advisory  
27 committee using a request for proposal process;

28 (b) Financial assistance for individuals who are unemployed  
29 workers, are in training under an approved training plan, and will  
30 exhaust unemployment benefits before their training under the training  
31 plan is completed. Financial assistance may also be directed to  
32 unemployed workers enrolling in training to allow them to enter  
33 training and provide assistance before other training aid is actually  
34 available; and

35 (c) Tuition grants to students enrolling in a private technical  
36 school licensed under RCW 28C.10.060 or chapter 18.16 RCW, or  
37 authorized under chapter 28B.85 RCW.

1 (2) For purposes of chapter . . . , Laws of 1997 (this act), an  
2 unemployed worker is an individual who has been terminated or has  
3 received a notice of termination from employment, and who is eligible  
4 for or has exhausted his or her entitlement to unemployment  
5 compensation benefits within the previous twenty-four months. A  
6 dislocated worker is an unemployed worker who is unlikely to return to  
7 employment in the individual's principal occupation or previous  
8 industry because of a diminishing demand for his or her skills in the  
9 occupation or industry.

10 (3) Training programs approved by the job retraining advisory  
11 committee and provided by the community and technical colleges shall  
12 consist only of occupational skills and vocational education. These  
13 programs may include short-term focused training programs. The short-  
14 term focused training programs may include programs offered during  
15 nontraditional times such as nights and weekends and programs that can  
16 be completed in one academic term or less. Appropriate funding levels  
17 for short-term focused training programs may be negotiated between the  
18 job retraining advisory committee and the college board.

19 (4) Training provided to fulfill an unemployed worker's individual  
20 training plan must concentrate on occupational skills and vocational  
21 education but may be supplemented by basic skills and literacy  
22 training. Training may include related or supplemental instruction for  
23 apprentices who are enrolled in a federally registered or state-  
24 approved apprenticeship program.

25 (5) A private technical school licensed under RCW 28C.10.060 or  
26 chapter 18.16 RCW, or authorized under chapter 28B.85 RCW, may submit  
27 requests for tuition grants for unemployed workers seeking retraining  
28 under chapter . . . , Laws of 1997 (this act) directly to the job  
29 retraining advisory committee for approval.

30 (6) Increased enrollments, financial assistance, and related  
31 support services provided under this section may not replace or  
32 supplant any existing enrollments, programs, support services, or  
33 funding sources.

34 (7) The state board for community and technical colleges shall  
35 develop a plan for use and evaluation of these funds and shall submit  
36 the plan to the work force training and education coordinating board  
37 for approval. The plan must show how the use of these funds responds  
38 to the proposals approved through the request for proposal process.

1 (8) The state board for community and technical colleges shall  
2 report to the work force training and education coordinating board and  
3 appropriate committees of the legislature by December 1, 1998, and  
4 every even-numbered year thereafter, on the progress and results of the  
5 training and financial assistance provided to eligible participants.  
6 The report must include the following:

7 (a) The number of certified student full-time equivalents receiving  
8 training as provided in chapter . . . , Laws of 1997 (this act);

9 (b) Information on the outcomes of the training provided under  
10 chapter . . . , Laws of 1997 (this act);

11 (c) Indices of placement rates, student demographics, training plan  
12 completion rates, comparisons of preprogram and postprogram wage  
13 levels, and the job placements that occur in the occupation for which  
14 the student was trained compared to job placements in occupations  
15 unrelated to the training; and

16 (d) The number of students served through the program with specific  
17 designation of students who are unemployed workers and students who are  
18 dislocated workers.

19 NEW SECTION. **Sec. 6.** A new section is added to chapter 28B.50 RCW  
20 to read as follows:

21 (1) Community and technical colleges, state and federally approved  
22 apprenticeship programs, and private technical schools licensed under  
23 RCW 28C.10.060 or chapter 18.16 RCW, or authorized under chapter 28B.85  
24 RCW, may submit to the state board for community and technical colleges  
25 a proposal that meets the criteria established under section 4 of this  
26 act and criteria established by the job retraining advisory committee.  
27 The proposal must contain the college's, state or federally approved  
28 apprenticeship program's, or private technical school's plan for  
29 retraining eligible individuals.

30 (2) Each community and technical college shall confer and consult  
31 with its respective labor-management advisory board in the development  
32 of the college's proposal.

33 (3) State and federally approved apprenticeship programs and  
34 private technical schools shall consult with the local community and  
35 technical college labor-management advisory board, chambers of  
36 commerce, or similar entities to determine job availability and the  
37 demand for job skills and shall submit their proposals with the  
38 community college's request for proposal to the state board for

1 community and technical colleges. Except as provided in subsection (4)  
2 of this section, the state board for community and technical colleges  
3 shall allocate enrollments and funding based on the proposals submitted  
4 to the state board for community and technical colleges and approved by  
5 the job retraining advisory committee.

6 (4) The state board for community and technical colleges may  
7 withhold a portion of the work force training enrollments and funding  
8 in an emergency pool to be used by colleges in the event of an  
9 emergency. If the request for proposal has been submitted by a college  
10 to the state board for community and technical colleges and  
11 occupational demand for enrollment exceeds a community or technical  
12 college's original request for proposal, then with the recommendation  
13 of the job retraining advisory committee, the state board for community  
14 and technical colleges may fund some or all of the additional  
15 enrollment without requiring the community or technical college to  
16 adhere to the full requirements of the request for proposal process.

17 **Sec. 7.** RCW 28B.15.820 and 1995 1st sp.s. c 9 s 10 are each  
18 amended to read as follows:

19 (1) Each institution of higher education, including technical  
20 colleges, shall deposit a minimum of three and one-half percent of  
21 revenues collected from tuition and services and activities fees in an  
22 institutional financial aid fund that is hereby created and which shall  
23 be held locally. Moneys in the fund shall be used only for the  
24 following purposes: (a) To make guaranteed long-term loans to eligible  
25 students as provided in subsections (3) through (8) of this section;  
26 (b) to make short-term loans as provided in subsection (9) of this  
27 section; or (c) to provide financial aid to needy students as provided  
28 in subsection (10) of this section.

29 (2) An "eligible student" for the purposes of subsections (3)  
30 through (8) and (10) of this section is a student registered for at  
31 least six credit hours or the equivalent, who is eligible for resident  
32 tuition and fee rates as defined in RCW 28B.15.012 (~~(through [and])~~)  
33 and 28B.15.013, and who is a "needy student" as defined in RCW  
34 28B.10.802.

35 (3) The amount of the guaranteed long-term loans made under this  
36 section shall not exceed the demonstrated financial need of the  
37 student. Each institution shall establish loan terms and conditions  
38 which shall be consistent with the terms of the guaranteed loan program



1 established by 20 U.S. Code Section 1071 et seq., as now or hereafter  
2 amended. All loans made shall be guaranteed by the Washington student  
3 loan guaranty association or its successor agency. Institutions are  
4 hereby granted full authority to operate as an eligible lender under  
5 the guaranteed loan program.

6 (4) Before approving a guaranteed long-term loan, each institution  
7 shall analyze the ability of the student to repay the loan based on  
8 factors which include, but are not limited to, the student's  
9 accumulated total education loan burdens and the employment  
10 opportunities and average starting salary characteristics of the  
11 student's chosen fields of study. The institution shall counsel the  
12 student on the advisability of acquiring additional debt, and on the  
13 availability of other forms of financial aid.

14 (5) Each institution is responsible for collection of guaranteed  
15 long-term loans made under this section and shall exercise due  
16 diligence in such collection, maintaining all necessary records to  
17 insure that maximum repayments are made. Institutions shall cooperate  
18 with other lenders and the Washington student loan guaranty  
19 association, or its successor agency, in the coordinated collection of  
20 guaranteed loans, and shall assure that the guarantability of the loans  
21 is not violated. Collection and servicing of guaranteed long-term  
22 loans under this section shall be performed by entities approved for  
23 such servicing by the Washington student loan guaranty association or  
24 its successor agency: PROVIDED, That institutions be permitted to  
25 perform such servicing if specifically recognized to do so by the  
26 Washington student loan guaranty association or its successor agency.  
27 Collection and servicing of guaranteed long-term loans made by  
28 community colleges under subsection (1) of this section shall be  
29 coordinated by the state board for community and technical colleges and  
30 shall be conducted under procedures adopted by the state board.

31 (6) Receipts from payment of interest or principal or any other  
32 subsidies to which institutions as lenders are entitled, that are paid  
33 by or on behalf of borrowers of funds under subsections (3) through (8)  
34 of this section, shall be deposited in each institution's financial aid  
35 fund and shall be used to cover the costs of making the guaranteed  
36 long-term loans under this section and maintaining necessary records  
37 and making collections under subsection (5) of this section: PROVIDED,  
38 That such costs shall not exceed five percent of aggregate outstanding  
39 loan principal. Institutions shall maintain accurate records of such

1 costs, and all receipts beyond those necessary to pay such costs, shall  
2 be deposited in the institution's financial aid fund.

3 (7) The governing boards of the state universities, the regional  
4 universities, and The Evergreen State College, and the state board for  
5 community and technical colleges, on behalf of the community colleges  
6 and technical colleges, shall each adopt necessary rules and  
7 regulations to implement this section.

8 (8) First priority for any guaranteed long-term loans made under  
9 this section shall be directed toward students who would not normally  
10 have access to educational loans from private financial institutions in  
11 Washington state, and maximum use shall be made of secondary markets in  
12 the support of loan consolidation.

13 (9) Short-term loans, not to exceed one year, may be made from the  
14 institutional financial aid fund to students enrolled in the  
15 institution. No such loan shall be made to any student who is known by  
16 the institution to be in default or delinquent in the payment of any  
17 outstanding student loan. A short-term loan may be made only if the  
18 institution has ample evidence that the student has the capability of  
19 repaying the loan within the time frame specified by the institution  
20 for repayment.

21 (10) Any moneys deposited in the institutional financial aid fund  
22 that are not used in making long-term or short-term loans may be used  
23 by the institution for locally-administered financial aid programs for  
24 needy students, such as need-based institutional employment programs or  
25 need-based tuition and fee scholarship or grant programs. These funds  
26 shall be used in addition to and not to replace institutional funds  
27 that would otherwise support these locally-administered financial aid  
28 programs. In community colleges and technical colleges, first priority  
29 in the use of these funds shall be provided to needy resident  
30 dislocated and unemployed workers to assist these students with tuition  
31 and fees, books, childcare, and transportation. In the baccalaureate  
32 institutions, first priority in the use of these funds shall be given  
33 to needy students who have accumulated excessive educational loan  
34 burdens. An excessive educational loan burden is a burden that will be  
35 difficult to repay given employment opportunities and average starting  
36 salaries in the student's chosen fields of study. Second priority in  
37 the use of these funds shall be given to needy single parents, to  
38 assist these students with their educational expenses, including  
39 expenses associated with child care and transportation.

1        NEW SECTION.    **Sec. 8.**    The legislature finds that the work force  
2 training and education coordinating board has identified work force  
3 development goals, performance indicators, standards, and evaluation  
4 criteria for our state's comprehensive work force training programs.  
5 However, despite these efforts, the legislature finds that Washington's  
6 work force development programs are unduly fragmented, spending eight  
7 hundred sixty-six million dollars in fiscal year 1996 through multiple  
8 agencies and various programs. In order to identify and coordinate the  
9 most efficacious use of work force development funding and to  
10 streamline program efforts, the legislature finds that the work force  
11 training and education coordinating board must intensify its efforts  
12 on: (1) Identification of program funding; (2) options for program  
13 consolidation; and (3) coordination of related programs in order to  
14 redirect resources toward programs that most effectively meet the needs  
15 of those businesses that produce family wage jobs for workers in our  
16 state.

17        NEW SECTION.    **Sec. 9.**    For the purposes of sections 10 through 12  
18 of this act, the term "program" does not include the activities of  
19 individual institutions, such as individual community or technical  
20 colleges, common schools, service delivery areas, job service centers,  
21 or individual fields of study or courses.

22        NEW SECTION.    **Sec. 10.**    (1) By July 1, 1998, the work force  
23 training and education coordinating board shall prepare a comprehensive  
24 report to the legislature identifying all current work force  
25 development programs available in our state. For each program  
26 identified in the report, the board shall, at a minimum, include the  
27 following information:

28        (a) The program's funding sources, whether state or federal,  
29 including a breakdown by administrative and direct service expenditures  
30 at the state, regional, and local levels. For the purposes of this  
31 subsection, the board shall define "administration" and "direct service  
32 cost" so as to ensure that the aggregate report will be comparable  
33 among programs;

34        (b) An indication of whether or not matching funds are required for  
35 the receipt of funds and, if so, by whom;

36        (c) A statement of whether waivers are available from program or  
37 funding regulations;

1 (d) The current number of program participants and their geographic  
2 representation;

3 (e) Any program participation requirements for qualification to  
4 enter the program;

5 (f) A review of program rules;

6 (g) The type of training and other services provided to program  
7 participants;

8 (h) A review of program completion rates for a period of five years  
9 or the existence of the program, whichever is less, where appropriate  
10 and available; and

11 (i) A review of job placement rates in relation to training  
12 activities for a period of five years or the existence of the program,  
13 whichever is less, where appropriate and available.

14 (2) For programs for which the information required under  
15 subsection (1)(h) and (i) of this section is appropriate, but not  
16 available, the work force training and education board shall recommend  
17 measures for the programs to produce such information.

18 (3) All current work force development programs available in our  
19 state shall participate in the preparation of this report as required  
20 by the board. If any work force development program fails to  
21 participate in the report, that fact shall be highlighted in the  
22 report.

23 NEW SECTION. **Sec. 11.** (1) By November 1, 1998, the work force  
24 training and education coordinating board, using the information  
25 compiled under section 10 of this act and the outcome, net-impact, and  
26 cost-benefit evaluations required in RCW 28C.18.090, shall provide the  
27 legislature with efficiency recommendations including modification,  
28 consolidation, or elimination of programs identified in RCW 50.16.096.  
29 At a minimum, the recommendations must include all state board for  
30 community and technical colleges administered vocational programs;  
31 dislocated worker training programs; adult basic education programs;  
32 secondary vocational education; participating private vocational school  
33 programs; job training partnership act Titles IIA, IIB, IIC, and III;  
34 and the state job skills program.

35 (2) The recommendations in this report must take into account any  
36 performance reports available for the programs.

37 (3) The recommendations made under this section must include  
38 provisions that will streamline and coordinate program offerings and

1 direct training resources in response to local labor market demand.  
2 The board shall also provide recommendations to improve program  
3 effectiveness measured by retention and completion rates for program  
4 participants, and job placement and retention rates of participants in  
5 relation to training activities.

6 NEW SECTION. **Sec. 12.** The joint legislative audit and review  
7 committee shall:

8 (1) Conduct a performance evaluation of the work force training and  
9 education coordinating board. The evaluation must include an  
10 assessment of the degree to which tasks required of the board under RCW  
11 28C.18.060 have been completed, an assessment of the barriers that  
12 exist to completion of required tasks, and an assessment of board  
13 recommendations and the underlying analysis used to support those  
14 recommendations; and

15 (2) Report its findings to the appropriate committees of the  
16 legislature by December 1, 1997.

17 NEW SECTION. **Sec. 13.** The following acts or parts of acts are  
18 each repealed:

19 (1) RCW 43.131.377 and 1993 c 226 s 18;

20 (2) RCW 50.16.094 and 1995 c 57 s 1 & 1993 c 226 s 6; and

21 (3) RCW 50.12.261 and 1993 c 226 s 17.

22 NEW SECTION. **Sec. 14.** If any provision of this act or its  
23 application to any person or circumstance is held invalid, the  
24 remainder of the act or the application of the provision to other  
25 persons or circumstances is not affected.

26 NEW SECTION. **Sec. 15.** If any part of this act is found to be in  
27 conflict with federal requirements that are a prescribed condition to  
28 the allocation of federal funds to the state or the eligibility of  
29 employers in this state for federal unemployment tax credits, the  
30 conflicting part of this act is inoperative solely to the extent of the  
31 conflict, and the finding or determination does not affect the  
32 operation of the remainder of this act. Rules adopted under this act  
33 must meet federal requirements that are a necessary condition to the  
34 receipt of federal funds by the state or the granting of federal  
35 unemployment tax credits to employers in this state.

1        NEW SECTION.    **Sec. 16.**    This act is necessary for the immediate  
2    preservation of the public peace, health, or safety, or support of the  
3    state government and its existing public institutions, and takes effect  
4    July 1, 1997.

--- END ---