

2 **ESSB 5180** - H AMD 0355 FAILED 04/25/99
3 By Representative

4

5 Beginning on page 122, line 1, strike everything through page 136,
6 line 32 and insert the following:

7

"PART VI

8

HIGHER EDUCATION

9 NEW SECTION. **Sec. 601.** The appropriations in sections 603 through
10 609 of this act are subject to the following conditions and
11 limitations:

12 (1) "Institutions" means the institutions of higher education
13 receiving appropriations under sections 603 through 609 of this act.

14 (2)(a) The salary increases provided or referenced in this
15 subsection shall be the only allowable salary increases provided at
16 institutions of higher education, excluding increases associated with
17 normally occurring promotions and increases related to faculty and
18 professional staff retention, and excluding increases associated with
19 employees under the jurisdiction of chapter 41.56 RCW pursuant to the
20 provisions of RCW 28B.16.015.

21 (b) Each institution of higher education shall provide to each
22 classified staff employee as defined by the office of financial
23 management a salary increase of 3.0 percent on July 1, 1999, and a
24 salary increase of 3.0 percent on July 1, 2000.

25 (c) Each institution of higher education shall provide to
26 instructional and research faculty, exempt professional staff, academic
27 administrators, academic librarians, counselors, teaching and research
28 assistants as classified by the office of financial management, and all
29 other nonclassified staff, including those employees under RCW
30 28B.16.015, an average salary increase of 3.0 percent on July 1, 1999,
31 and an average salary increase of 3.0 percent on July 1, 2000.

32 (d) For employees under the jurisdiction of chapter 41.56 RCW
33 pursuant to the provisions of RCW 28B.16.015, distribution of the
34 salary increases will be in accordance with the applicable collective
35 bargaining agreement. However, an increase shall not be provided to

1 any classified employee whose salary is above the approved salary range
2 maximum for the class to which the employee's position is allocated.

3 (e) Each institution of higher education receiving appropriations
4 under sections 604 through 609 of this act may provide additional
5 salary increases to instructional and research faculty, exempt
6 professional staff, academic administrators, academic librarians,
7 counselors, teaching and research assistants, as classified by the
8 office of financial management, and all other nonclassified staff, but
9 not including employees under RCW 28B.16.015. Any salary increase
10 granted under the authority of this subsection (2)(e) shall not be
11 included in an institution's salary base. It is the intent of the
12 legislature that general fund--state support for an institution shall
13 not increase during the current or any future biennium as a result of
14 any salary increases authorized under this subsection (2)(e).

15 (f) Each institution of higher education may also provide
16 additional salary increases to instructional and research faculty
17 funded from reductions in the maximum level of employer contributions
18 to retirement plans offered pursuant to RCW 28B.10.400. Any salary
19 increase granted under the authority of this subsection (2)(f) shall
20 not be included in an institution's salary base. It is the intent of
21 the legislature that general fund--state support for an institution
22 shall not increase during the current or any future biennium as a
23 result of any salary increases authorized under this subsection (2)(f).

24 (g) To collect consistent data for use by the legislature, the
25 office of financial management, and other state agencies for policy and
26 planning purposes, institutions of higher education shall report
27 personnel data to be used in the department of personnel's human
28 resource data warehouse in compliance with uniform reporting procedures
29 established by the department of personnel.

30 (h) Specific salary increases authorized in sections 603 through
31 609 of this act are in addition to any salary increase provided in this
32 subsection.

33 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
34 full-time students at the state's institutions of higher education for
35 the 1999-00 and 2000-01 academic years, other than the summer term, may
36 be adjusted by the governing boards of the state universities, regional
37 universities, The Evergreen State College, and the state board for
38 community and technical colleges as provided in this subsection.

1 (a) For the 1999-00 academic year, the governing boards and the
2 state board may implement an increase no greater than four and six-
3 tenths percent over tuition fees charged to full-time students for the
4 1998-99 academic year.

5 (b) For the 2000-01 academic year, the governing boards and the
6 state board may implement an increase no greater than three and six-
7 tenths percent over the tuition fees charged to full-time students for
8 the 1999-00 academic year.

9 (c) For the 1999-01 biennium, the governing boards and the state
10 board may adjust full-time operating fees for factors that may include
11 time of day and day of week, as well as delivery method and campus, to
12 encourage full use of the state's educational facilities and resources.

13 (d) The tuition increases adopted under (a), (b) and (c) of this
14 subsection need not apply uniformly across student categories as
15 defined in chapter 28B.15 RCW so long as the increase for each student
16 category does not exceed the percentages specified in this subsection.

17 (e) In addition to waivers granted under the authority of RCW
18 28B.15.910, the governing boards and the state board may waive all or
19 a portion of the operating fees for any student. State general fund
20 appropriations shall not be provided to replace tuition and fee revenue
21 foregone as a result of waivers granted under this subsection.

22 (4) Pursuant to RCW 43.15.055, institutions of higher education
23 receiving appropriations under sections 603 through 609 of this act are
24 authorized to increase summer term tuition in excess of the fiscal
25 growth factor during the 1999-01 biennium. Tuition levels increased
26 pursuant to this subsection shall not exceed the per credit hour rate
27 calculated from the academic year tuition levels adopted under this
28 act.

29 (5) Community colleges may increase services and activities fee
30 charges in excess of the fiscal growth factor up to the maximum level
31 authorized in RCW 28B.15.069.

32 (6)(a) Each institution receiving appropriations under sections 604
33 through 609 of this act shall submit plans for achieving measurable and
34 specific improvements in academic years 1999-00 and 2000-01 to the
35 higher education coordinating board. The plans, to be prepared at the
36 direction of the board, shall be submitted by August 15, 1999 (for
37 academic year 1999-00) and June 30, 2000 (for academic year 2000-01).
38 Each institution's plan shall include specific and measurable targets
39 for each year of the biennium and shall identify specific strategies to

1 achieve each year's targets. The following measures and long-term
2 goals are the basis for developing plans appropriate to each
3 institution:

4 Goal

5 (i) Undergraduate graduation efficiency index:

6 For students beginning as freshmen 95

7 For transfer students 90

8 (ii) Undergraduate student retention, defined as the percentage of
9 all undergraduate students who return for the next year at the same
10 institution, measured from fall to fall:

11 Research universities 95%

12 Comprehensive universities and college 90%

13 (iii) Graduation rates, defined as the percentage of an entering
14 freshmen class at each institution that graduates within five years:

15 Research universities 65%

16 Comprehensive universities and college 55%

17 (iv) A measure of faculty productivity, with goals and targets in
18 accord with the legislative intent to achieve measurable and specific
19 improvements, to be determined by the higher education coordinating
20 board, in consultation with the institutions receiving appropriations
21 under sections 604 through 609 of this act.

22 (v) A measure of performance demonstrating specific and measurable
23 improvements related to distance education and education provided
24 primarily through technology. Academic year 1999-00 shall be the
25 baseline year against which performance in academic year 2000-01 shall
26 be measured.

27 (vi) An additional measure and goal to be selected by the higher
28 education coordinating board for each institution, in consultation with
29 each institution.

30 (b) The higher education coordinating board, in consultation with
31 the institutions, shall determine the appropriate baseline for each
32 strategy against which progress will be measured in the 1999-01
33 biennium. Beginning on November 1, 1999, each institution shall report
34 to the higher education coordinating board, by November 1 of each year,
35 on its actual performance achievement for each measure for the
36 preceding academic year.

1 (7)(a) The state board for community and technical colleges shall
2 develop implementation plans for measurable and specific improvements
3 in academic years 1999-00 and 2000-01 consistent with the performance
4 management system developed by the work force training and education
5 coordinating board and for the following long-term performance goals:

	Goal
6	
7 (i) Number of students prepared for employment	
8 (close the skilled labor force training gap)	25,000 students/year
9 (ii) Percent of students prepared for	
10 transfer	50,000 students/year
11 (iii) Percent of basic skills students accomplishing	
12 skills gains	80 percent
13 (iv) Share of students served by technology supported	
14 instruction and student services	100 percent

15 (b) The state board for community and technical colleges shall
16 determine the appropriate baseline for each strategy against which
17 progress will be measured in the 1999-01 biennium. The state board
18 for community and technical colleges shall set performance targets for
19 closing the performance gap for each measure. Performance targets
20 shall be set at levels that reflect meaningful and substantial progress
21 towards the state-wide performance goals. Beginning on November 1,
22 1999, the board shall report, by November 1 of each year, on actual
23 performance achievement for each measure for the preceding academic
24 year.

25 (8) Institutions receiving appropriations under sections 603
26 through 609 of this act shall provide enrollment data for students
27 engaged in distance learning to the office of financial management as
28 part of the distance learning enrollment information project.

29 NEW SECTION. Sec. 602. The appropriations in sections 603 through
30 609 of this act provide state general fund support or employment and
31 training trust account support for full-time equivalent student
32 enrollments at each institution of higher education. Listed below are
33 the annual full-time equivalent student enrollments by institutions
34 assumed in this act.

	1999-2000	2000-2001
35		
36	Annual	Annual
37	Average	Average

1	University of Washington		
2	Main campus	31,927	32,266
3	Bothell branch	993	1,136
4	Tacoma branch	1,143	1,316
5	Washington State University		
6	Main campus	17,272	17,649
7	Spokane branch	472	601
8	Tri-Cities branch	754	754
9	Vancouver branch	1,021	1,121
10	Central Washington University	7,670	7,867
11	Eastern Washington University	7,739	7,739
12	The Evergreen State College	3,638	3,713
13	Western Washington University	10,648	10,761
14	State Board for Community and		
15	Technical Colleges	120,529	123,332
16	Higher Education Coordinating		
17	Board	50	550

18 NEW SECTION. **Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND**
19 **TECHNICAL COLLEGES**

20	General Fund--State Appropriation (FY 2000)	\$	455,664,000
21	General Fund--State Appropriation (FY 2001)	\$	487,987,000
22	General Fund--Federal Appropriation	\$	11,404,000
23	Employment and Training Trust Account--		
24	State Appropriation	\$	1,474,000
25	TOTAL APPROPRIATION	\$	956,529,000

26 The appropriations in this section are subject to the following
27 conditions and limitations:

28 (1) The technical colleges may increase tuition and fees in excess
29 of the fiscal growth factor to conform with the percentage increase in
30 community college operating fees.

31 (2)(a) \$5,000,000 of the general fund--state appropriation for
32 fiscal year 2000 and \$5,000,000 of the general fund--state
33 appropriation for fiscal year 2001 are provided solely to increase
34 salaries and related benefits for part-time faculty. The state board
35 for community and technical colleges shall allocate these funds to

1 college districts based on the headcount of part-time faculty under
2 contract for the 1998-99 academic year. To earn these funds, a college
3 district must match the state funds with local revenue, the amounts for
4 which shall be determined by the state board. State fund allocations
5 that go unclaimed by a college district shall lapse. The board may
6 provide salary increases to part-time faculty in a total amount not to
7 exceed \$10,000,000 from tuition revenues. The board shall report to
8 the office of financial management and legislative fiscal committees on
9 the distribution of state funds, match requirements of each district,
10 and the wage adjustments for part-time faculty by October 1 of each
11 fiscal year.

12 (b) Each college district shall examine its current ratio of part-
13 time to full-time faculty by discipline and report to the board a plan
14 to reduce wage disparity and reliance on part-time faculty through
15 salary improvements, conversion of positions to full-time status, and
16 other remedies deemed appropriate given labor market conditions and
17 educational programs offered in each community. The board shall set
18 long-term performance targets for each district with respect to use of
19 part-time faculty and monitor progress annually. The board shall
20 report to the fiscal and higher education committees of the legislature
21 on implementation of this subsection by no later than December 1, 1999,
22 with recommendations for the ensuing biennium provided no later than
23 December 1, 2000.

24 (3) \$1,155,000 of the general fund--state appropriation for fiscal
25 year 2000 and \$2,345,000 of the general fund--state appropriation for
26 fiscal year 2001 are provided solely for faculty salary increments and
27 associated benefits and may be used in combination with salary and
28 benefit savings from faculty turnover to provide faculty salary
29 increments and associated benefits. To the extent general salary
30 increase funding is used to pay faculty increments, the general salary
31 increase shall be reduced by the same amount.

32 (4) \$950,000 of the general fund--state appropriation for fiscal
33 year 2000 and \$950,000 of the general fund--state appropriation for
34 fiscal year 2001 are provided solely to lower the part-time faculty
35 retirement eligibility threshold to fifty percent of the full-time
36 workload.

37 (5) \$332,000 of the general fund--state appropriation for fiscal
38 year 2000 and \$3,153,000 of the general fund--state appropriation for

1 fiscal year 2001 are provided solely for Cascadia Community College
2 start-up and enrollment costs.

3 (6) \$1,441,000 of the general fund--state appropriation for fiscal
4 year 2000 and \$1,441,000 of the general fund--state appropriation for
5 fiscal year 2001 are provided solely for 500 FTE enrollment slots to
6 implement RCW 28B.50.259 (timber-dependent communities).

7 (7) \$27,361,000 of the general fund--state appropriation for fiscal
8 year 2000, \$28,761,000 of the general fund--state appropriation for
9 fiscal year 2001, and the entire employment and training trust account
10 appropriation are provided solely as special funds for training and
11 related support services, including financial aid, child care, and
12 transportation, as specified in chapter 226, Laws of 1993 (employment
13 and training for unemployed workers).

14 (a) Funding is provided to support up to 7,200 full-time equivalent
15 students in each fiscal year.

16 (b) The state board for community and technical colleges shall
17 submit a plan for allocation of the full-time equivalent students
18 provided in this subsection to the workforce training and education
19 coordinating board for review and approval.

20 (8) \$1,000,000 of the general fund--state appropriation for fiscal
21 year 2000 and \$1,000,000 of the general fund--state appropriation for
22 fiscal year 2001 are provided solely for tuition support for students
23 enrolled in work-based learning programs.

24 (9) \$567,000 of the general fund--state appropriation for fiscal
25 year 2000 and \$568,000 of the general fund--state appropriation for
26 fiscal year 2001 are provided solely for administration and customized
27 training contracts through the job skills program.

28 (10) \$750,000 of the general fund--state appropriation for fiscal
29 year 2000 and \$750,000 of the general fund--state appropriation for
30 fiscal year 2001 are provided solely for grants to expand information
31 technology and computer science programs. Successful grant
32 applications from a college, partnerships of colleges, or partnerships
33 of colleges and K-12 school districts must include a match of cash, in-
34 kind, or donations equivalent to the grant amount. Grant applications
35 shall receive priority that prepare students to meet industry
36 standards, achieve industry skill certificates, or continue to upper
37 division computer science or computer engineering studies. No college
38 may receive more than \$300,000 from appropriations in this section.
39 The state board for community and technical colleges shall report the

1 implementation of this section to the governor and legislative fiscal
2 committees by June 30, 2001, including plans of successful grant
3 recipients for the continuation of programs funded by this section.

4 (11) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 2000 and \$1,000,000 of the general fund--state appropriation for
6 fiscal year 2001 are provided solely for the Pierce College branch at
7 Puyallup.

8 (12) \$50,000 of the general fund--state appropriation for fiscal
9 year 2000 and \$50,000 of the general fund--state appropriation for
10 fiscal year 2001 are solely for implementation of Substitute Senate
11 Bill No. 5277 (higher education student child care matching grants).
12 In no case shall funds provided in this subsection be used to construct
13 or remodel facilities. If the bill is not enacted by June 30, 1999,
14 the amounts provided in this subsection shall lapse.

15 (13) Funding in this section provides for the collection and
16 reporting of Washington enrollment data, and related activities, for
17 the distance learning information project described in section 129 of
18 this act.

19 (14) \$1,600,000 of the general fund--state appropriation for fiscal
20 year 2001 is provided solely as a performance and accountability
21 incentive pool for the community and technical colleges. The board
22 shall award incentive funds to community and technical colleges based
23 upon specific and measurable improvements towards performance and
24 accountability goals as set forth in section 601(7) of this act.

25 NEW SECTION. **Sec. 604. FOR UNIVERSITY OF WASHINGTON**

26	General Fund--State Appropriation (FY 2000)	\$	316,592,000
27	General Fund--State Appropriation (FY 2001)	\$	335,314,000
28	Death Investigations Account--State Appropriation . .	\$	221,000
29	Accident Account--State Appropriation	\$	5,773,000
30	Medical Aid Account--State Appropriation	\$	5,815,000
31	TOTAL APPROPRIATION	\$	663,715,000

32 The appropriations in this section are subject to the following
33 conditions and limitations:

34 (1) \$8,617,000 of the general fund--state appropriation for fiscal
35 year 2000 and \$10,528,000 of the general fund--state appropriation for
36 fiscal year 2001 are provided for upper division and graduate courses
37 and other educational services offered at the Bothell branch campus.

1 (2) \$10,147,000 of the general fund--state appropriation for fiscal
2 year 2000 and \$11,438,000 of the general fund--state appropriation for
3 fiscal year 2001 are provided for upper division and graduate courses
4 and other educational services offered at the Tacoma branch campus.

5 (3) \$2,312,000 of the general fund--state appropriation for fiscal
6 year 2000 and \$2,312,000 of the general fund--state appropriation for
7 fiscal year 2001 are provided solely for competitively offered faculty
8 recruitment and retention salary adjustments. Tuition revenues may be
9 expended in addition to those required by this section to further
10 provide recruitment and retention salary adjustments. The university
11 shall provide a report in their 2001-03 biennial operating budget
12 request submittal on the effective expenditure of funds for the
13 purposes of this section.

14 (4) \$1,975,000 of the general fund--state appropriation for fiscal
15 year 2000 and \$1,975,000 of the general fund--state appropriation for
16 fiscal year 2001 are provided solely to extend the next-generation
17 internet hub and related expertise.

18 (5) \$200,000 of the death investigations account appropriation is
19 provided solely for the forensic pathologist fellowship program.

20 (6) \$136,000 of the general fund--state appropriation for fiscal
21 year 2000 and \$137,000 of the general fund--state appropriation for
22 fiscal year 2001 are provided solely for the implementation of the
23 Puget Sound work plan and agency action item UW-01.

24 (7) \$75,000 of the general fund--state appropriation for fiscal
25 year 2000 and \$75,000 of the general fund--state appropriation for
26 fiscal year 2001 are provided solely for the Olympic natural resource
27 center.

28 (8) \$50,000 of the general fund--state appropriation for fiscal
29 year 2000 and \$50,000 of the general fund--state appropriation for
30 fiscal year 2001 are provided solely for the dental education in care
31 of persons with disabilities program.

32 (9) \$904,000 of the accident account and medical aid account
33 appropriations is provided solely for a bio-contaminant laboratory and
34 consultation service in the department of environmental health.

35 (10) For the 1999-01 biennium, five percent of tuition and fee
36 revenue collected from law students may be used when privately matched
37 dollar-for-dollar to provide public interest law scholarships to
38 enrolled students at the university.

1 (11) \$958,000 of the general fund--state appropriation for fiscal
2 year 2000 and \$958,000 of the general fund--state appropriation for
3 fiscal year 2001 are provided for the mathematics, engineering, science
4 achievement (MESA) program.

5 (12) \$1,250,000 of the general fund--state appropriation for fiscal
6 year 2000 and \$1,250,000 of the general fund--state appropriation for
7 fiscal year 2001 are provided solely for research faculty clusters in
8 the advanced technology initiative program.

9 (13)(a) \$2,000,000 of the general fund appropriation for fiscal
10 year 2000 and \$2,000,000 of the general fund appropriation for fiscal
11 year 2001 shall be placed in reserve. These amounts are provided for
12 the achievement of the university's performance strategies pursuant to
13 section 601(6) of this act. The office of financial management shall
14 approve the allotment of amounts under this subsection upon
15 notification by the higher education coordinating board.

16 (b) \$1,000,000 of the general fund appropriation for fiscal year
17 2001 shall be placed in reserve. This amount is provided for
18 allocation to the Washington distinguished professorship trust fund
19 under RCW 28B.10.868 for the University of Washington. For each
20 \$1,000,000 approved for allotment under (a) of this subsection, the
21 office of financial management shall approve the allotment of \$250,000
22 of the amount in this subsection (b).

23 **NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

24	General Fund--State Appropriation (FY 2000)	\$ 183,551,000
25	General Fund--State Appropriation (FY 2001)	\$ 197,515,000
26	Air Pollution Control Account--State	
27	Appropriation	\$ 198,000
28	TOTAL APPROPRIATION	\$ 381,066,000

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) \$7,145,000 of the general fund--state appropriation for fiscal
32 year 2000 and \$8,718,000 of the general fund--state appropriation for
33 fiscal year 2001 are provided for upper division and graduate courses
34 and other educational services offered at the Spokane branch campus.

35 (2) \$5,134,000 of the general fund--state appropriation for fiscal
36 year 2000 and \$5,325,000 of the general fund--state appropriation for
37 fiscal year 2001 are provided for upper division and graduate courses
38 and other educational services offered at the Tri-Cities branch campus.

1 (3) \$8,537,000 of the general fund--state appropriation for fiscal
2 year 2000 and \$10,164,000 of the general fund--state appropriation for
3 fiscal year 2001 are provided for upper division and graduate courses
4 and other educational services offered at the Vancouver branch campus.

5 (4) \$1,438,000 of the general fund--state appropriation for fiscal
6 year 2000 and \$1,438,000 of the general fund--state appropriation for
7 fiscal year 2001 are provided solely for competitively offered faculty
8 recruitment and retention salary adjustments. Tuition revenues may be
9 expended in addition to those required by this section to further
10 provide recruitment and retention salary adjustments. The university
11 shall provide a report in their 2001-03 biennial operating budget
12 request submittal on the effective expenditure of funds for the
13 purposes of this section.

14 (5) \$565,000 of the general fund--state appropriation in fiscal
15 year 2000 and \$340,000 of the general fund--state appropriation in
16 fiscal year 2001 are provided for learning centers in Skagit, Walla
17 Walla, and Grays Harbor counties.

18 (6) \$500,000 of the general fund--state appropriation for fiscal
19 year 2000 and \$3,750,000 of the general fund--state appropriation for
20 fiscal year 2001 are provided solely for the safe food initiative. Of
21 these amounts, \$500,000 each fiscal year is provided solely for the
22 commission on pesticide registration.

23 (7) \$44,000 of the general fund--state appropriation for fiscal
24 year 2000 and \$44,000 of the general fund--state appropriation for
25 fiscal year 2001 are provided solely for research efforts to develop
26 suitable and economical alternatives to field burning of grass seed
27 harvest residue.

28 (8) \$165,000 of the general fund--state appropriation for fiscal
29 year 2000 and \$166,000 of the general fund--state appropriation for
30 fiscal year 2001 are provided solely for the implementation of the
31 Puget Sound work plan and agency action item WSU-01.

32 (9) \$750,000 of the general fund--state appropriation for fiscal
33 year 2000 and \$750,000 of the general fund--state appropriation for
34 fiscal year 2001 are provided solely for research faculty clusters in
35 the advanced technology initiative program.

36 (10)(a) \$1,000,000 of the general fund appropriation for fiscal
37 year 2000 and \$1,000,000 of the general fund appropriation for fiscal
38 year 2001 shall be placed in reserve. These amounts are provided for
39 the achievement of the university's performance strategies pursuant to

1 section 601(6) of this act. The office of financial management shall
2 approve the allotment of amounts under this subsection upon
3 notification by the higher education coordinating board.

4 (b) \$500,000 of the general fund appropriation for fiscal year 2001
5 shall be placed in reserve. This amount is provided for allocation to
6 the Washington distinguished professorship trust fund under RCW
7 28B.10.868 for Washington State University. For each \$1,000,000
8 approved for allotment under (a) of this subsection, the office of
9 financial management shall approve the allotment of \$250,000 of the
10 amount in this subsection (b).

11 NEW SECTION. **Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

12	General Fund--State Appropriation (FY 2000)	\$	41,620,000
13	General Fund--State Appropriation (FY 2001)	\$	43,470,000
14	TOTAL APPROPRIATION	\$	85,090,000

15 The appropriations in this section are subject to the following
16 conditions and limitations:

17 (1) \$375,000 of the general fund--state appropriation for fiscal
18 year 2000 and \$375,000 of the general fund--state appropriation for
19 fiscal year 2001 are provided solely for competitively offered faculty
20 recruitment and retention salary adjustments. Tuition revenues may be
21 expended in addition to those required by this section to further
22 provide recruitment and retention salary adjustments. The university
23 shall provide a report in their 2001-03 biennial operating budget
24 request submittal on the effective expenditure of funds for the
25 purposes of this section.

26 (2)(a) \$250,000 of the general fund appropriation for fiscal year
27 2000 and \$250,000 of the general fund appropriation for fiscal year
28 2001 shall be placed in reserve. These amounts are provided for the
29 achievement of the university's performance strategies pursuant to
30 section 601(6) of this act. The office of financial management shall
31 approve the allotment of amounts under this subsection upon
32 notification by the higher education coordinating board.

33 (b) \$125,000 of the general fund appropriation for fiscal year 2001
34 shall be placed in reserve. This amount is provided for allocation to
35 the Washington graduate fellowship trust fund under RCW 28B.10.881 for
36 Eastern Washington University. For each \$100,000 approved for
37 allotment under (a) of this subsection, the office of financial

1 management shall approve the allotment of \$25,000 of the amount in this
2 subsection (b).

3 NEW SECTION. **Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2000)	\$	41,898,000
5	General Fund--State Appropriation (FY 2001)	\$	44,590,000
6	TOTAL APPROPRIATION	\$	86,488,000

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 (1) \$312,000 of the general fund--state appropriation for fiscal
10 year 2000 and \$312,000 of the general fund--state appropriation for
11 fiscal year 2001 are provided solely for competitively offered faculty
12 recruitment, retention, and equity salary adjustments. Tuition
13 revenues may be expended in addition to those required by this section
14 to further provide recruitment and retention salary adjustments. The
15 university shall provide a report in their 2001-03 biennial operating
16 budget request submittal on the effective expenditure of funds for the
17 purposes of this section.

18 (2)(a) \$250,000 of the general fund appropriation for fiscal year
19 2000 and \$250,000 of the general fund appropriation for fiscal year
20 2001 shall be placed in reserve. These amounts are provided for the
21 achievement of the university's performance strategies pursuant to
22 section 601(6) of this act. The office of financial management shall
23 approve the allotment of amounts under this subsection upon
24 notification by the higher education coordinating board.

25 (b) \$125,000 of the general fund appropriation for fiscal year 2001
26 shall be placed in reserve. This amount is provided for allocation to
27 the Washington graduate fellowship trust fund under RCW 28B.10.881 for
28 Eastern Washington University. For each \$100,000 approved for
29 allotment under (a) of this subsection, the office of financial
30 management shall approve the allotment of \$25,000 of the amount in this
31 subsection (b).

32 NEW SECTION. **Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

33	General Fund--State Appropriation (FY 2000)	\$	22,359,000
34	General Fund--State Appropriation (FY 2001)	\$	24,333,000
35	TOTAL APPROPRIATION	\$	46,692,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$188,000 of the general fund--state appropriation for fiscal
4 year 2000 and \$188,000 of the general fund--state appropriation for
5 fiscal year 2001 are provided solely for competitively offered faculty
6 recruitment and retention salary adjustments. Tuition revenues may be
7 expended in addition to those required by this section to further
8 provide recruitment and retention salary adjustments. The college
9 shall provide a report in their 2001-03 biennial operating budget
10 request submittal on the effective expenditure of funds for the
11 purposes of this section.

12 (2) \$101,000 of the general fund--state appropriation for fiscal
13 year 2000 and \$102,000 of the general fund--state appropriation for
14 fiscal year 2001 are provided solely for the institute for public
15 policy to complete studies of services described in section 202(1) (a)
16 and (b) of this act. If those subsections are not enacted, the amounts
17 provided in this subsection shall lapse.

18 (3) \$40,000 of the general fund--state appropriation for fiscal
19 year 2000 is provided solely for the institute for public policy to
20 facilitate a work group pursuant to Second Substitute House Bill No.
21 1692 (child witness/victim interviews). If the bill is not enacted by
22 June 30, 1999, the amount provided in this subsection shall lapse.

23 (4)(a) \$200,000 of the general fund appropriation for fiscal year
24 2000 and \$200,000 of the general fund appropriation for fiscal year
25 2001 shall be placed in reserve. These amounts are provided for the
26 achievement of the college's performance strategies pursuant to section
27 601(6) of this act. The office of financial management shall approve
28 the allotment of amounts under this subsection upon notification by the
29 higher education coordinating board.

30 (b) \$100,000 of the general fund appropriation for fiscal year 2001
31 shall be placed in reserve. This amount is provided for allocation to
32 the Washington graduate fellowship trust fund under RCW 28B.10.881 for
33 The Evergreen State College. For each \$100,000 approved for allotment
34 under (a) of this subsection, the office of financial management shall
35 approve the allotment of \$25,000 of the amount in this subsection (b).

36 NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

37	General Fund--State Appropriation (FY 2000)	\$	53,293,000
38	General Fund--State Appropriation (FY 2001)	\$	56,397,000

1 TOTAL APPROPRIATION \$ 109,690,000

2 The appropriations in this section are subject to the following
3 conditions and limitations:

4 (1) \$375,000 of the general fund--state appropriation for fiscal
5 year 2000 and \$375,000 of the general fund--state appropriation for
6 fiscal year 2001 are provided solely for competitively offered faculty
7 recruitment and retention salary adjustments. Tuition revenues may be
8 expended in addition to those required by this section to further
9 provide recruitment and retention salary adjustments. The university
10 shall provide a report in their 2001-03 biennial operating budget
11 request submittal on the effective expenditure of funds for the
12 purposes of this section.

13 (2)(a) \$250,000 of the general fund appropriation for fiscal year
14 2000 and \$250,000 of the general fund appropriation for fiscal year
15 2001 shall be placed in reserve. These amounts are provided for the
16 achievement of the university's performance strategies pursuant to
17 section 601(6) of this act. The office of financial management shall
18 approve the allotment of amounts under this subsection upon
19 notification by the higher education coordinating board.

20 (b) \$125,000 of the general fund appropriation for fiscal year 2001
21 shall be placed in reserve. This amount is provided for allocation to
22 the Washington graduate fellowship trust fund under RCW 28B.10.881 for
23 Western Washington University. For each \$100,000 approved for
24 allotment under (a) of this subsection, the office of financial
25 management shall approve the allotment of \$25,000 of the amount in this
26 subsection (b).

27 NEW SECTION. **Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**
28 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

29	General Fund--State Appropriation (FY 2000)	\$	4,458,000
30	General Fund--State Appropriation (FY 2001)	\$	8,027,000
31	General Fund--Federal Appropriation	\$	653,000
32	TOTAL APPROPRIATION	\$	13,138,000

33 The appropriations in this section are provided to carry out the
34 accountability, performance measurement, policy coordination, planning,
35 studies and administrative functions of the board and are subject to
36 the following conditions and limitations:

1 (1) The board shall review, recommend changes if necessary, and
2 approve plans defined in section 601(6) of this act for achieving
3 measurable and specific improvements in academic years 1999-00 and
4 2000-01.

5 (2) \$280,000 of the general fund--state appropriation for fiscal
6 year 2000 and \$280,000 of the general fund--state appropriation for
7 fiscal year 2001 are provided solely for enrollment to implement RCW
8 28B.80.570 through 28B.80.585 (rural natural resources impact areas).
9 The number of students served shall be 50 full-time equivalent students
10 per fiscal year. The board shall ensure that enrollments reported
11 under this subsection meet the criteria outlined in RCW 28B.80.570
12 through 28B.80.585.

13 (3) \$100,000 of the general fund--state appropriation for fiscal
14 year 2000 and \$4,650,000 of the general fund--state appropriation for
15 fiscal year 2001 are provided solely to contract for 500 full-time
16 equivalent undergraduate students in high-demand fields and programs as
17 evidenced by limited current access, despite graduates who are highly
18 sought after by employers of this state. The board shall consult with
19 the office of financial management and the legislative fiscal and
20 higher education committees to design and implement a bidding process
21 to solicit proposals from public institutions to deliver these student
22 enrollments. Participating institutions shall cooperate with the board
23 to collect the data necessary to report to the governor and the
24 legislature on the impact of this subsection, particularly the degree
25 of improved access to high-demand fields and programs for students and
26 successful job placements for graduates.

27 (4) \$1,000,000 of the general fund--state appropriation for fiscal
28 year 2000 and \$1,000,000 of the general fund--state appropriation for
29 fiscal year 2001 are provided solely for competitive grants to public
30 baccalaureate institutions to expand information technology programs.
31 Successful grant applications to fund faculty, staff, or equipment for
32 computer science, computer engineering, or related disciplines must
33 include a match of nonstate cash or donations equivalent to the grant
34 amount. No institution may receive more than \$1,000,000 from
35 appropriations in this section. The board shall report on the
36 implementation of this section to the governor and legislative fiscal
37 committees by June 30, 2001, including plans of successful grant
38 recipients for the continuation of programs funded by this section.

1 (5) \$600,000 of the general fund--state appropriation for fiscal
2 year 2000 is provided solely for the higher education coordinating
3 board fund for innovation and quality under RCW 28B.120.040. If
4 Substitute House Bill No. 1013 is not enacted by June 30, 1999, the
5 amount provided in this subsection shall lapse.

6 (6) \$150,000 of the general fund--state appropriation for fiscal
7 year 2000 and \$150,000 of the general fund--state appropriation for
8 fiscal year 2001 are provided solely to implement Second Substitute
9 House Bill No. 1729 (teacher training pilot program). If Second
10 Substitute House Bill No. 1729 is not enacted by June 30, 1999, the
11 amounts provided in this subsection shall lapse.

12 (7) With funding provided in this section, the higher education
13 coordinating board, in cooperation with the office of financial
14 management and the state board for community and technical colleges,
15 shall study the feasibility of collecting Washington enrollment data on
16 distance learning programs sponsored by private institutions in
17 Washington as well as by institutions outside the state of Washington,
18 and it shall report findings to the legislature by January, 2000.

19 (8) \$432,000 of the general fund--state appropriation for fiscal
20 year 2000 and \$68,000 of the general fund--state appropriation for
21 fiscal year 2001 are provided solely for a demonstration project to
22 improve rural access to post-secondary education by bringing distance
23 learning technologies into Jefferson county.

24 (9) The board shall develop criteria to assess institutions'
25 performance and shall use those criteria in determining the allotment
26 of performance and accountability funds. The board shall annually
27 evaluate each institution's achievement of performance targets and, by
28 November 15 of each year, the board shall notify the office of
29 financial management to allot institutions' performance funds held in
30 reserve, based upon each institution's performance.

31 (10) By December 2000, the board shall provide a performance and
32 accountability report to the office of financial management and
33 appropriate legislative committees including specific recommendations
34 for additions, deletions, or revisions to the performance and
35 accountability measures in section 601(3) of this act. The
36 recommendations shall be developed in consultation with the
37 institutions of higher education."

38 On page 159, after line 17, insert the following:

1 "NEW SECTION. **Sec. 732. ACROSS-THE-BOARD REDUCTIONS.** The
2 director of the office of financial management shall direct state
3 agencies to make across-the-board reductions to planned general fund--
4 state expenditures for personal services contracts, travel, and
5 equipment. Institutions of higher education and agencies with fewer
6 than 50 full-time equivalent staff shall be exempt from these
7 reductions. Total general fund--state savings shall not be less than
8 \$2,600,000 in each fiscal year of the 1999-01 biennium."

EFFECT: Reduces expenditures on personal services contracts,
travel, and equipment, saving \$5.2 million general fund--state.
Creates a performance incentive fund in higher education to be awarded
on the basis of performance towards state-wide performance goals.
Places a portion of each four-year institution's general fund
appropriation in reserve, to be released by the office of financial
management upon notification by the higher education coordinating
board.

Fiscal Impact:
Reduces General Fund--State by \$1,600,000

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