

# HOUSE BILL REPORT

## SHB 1822

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### As Passed Legislature

**Title:** An act relating to establishing the first Washington nonprofit online university.

**Brief Description:** Establishing the first nonprofit online university.

**Sponsors:** House Committee on Higher Education (originally sponsored by Representatives Kenney, Parker, Seaquist, Pettigrew, Dickerson and Zeiger).

#### Brief History:

##### Committee Activity:

Higher Education: 2/10/11, 2/14/11 [DPS].

##### Floor Activity:

Passed House: 2/26/11, 70-26.

Passed Senate: 4/8/11, 40-7.

Passed Legislature.

#### Brief Summary of Substitute Bill

- Directs the Higher Education Coordinating Board to recognize and endorse online, competency-based education, and integrate the academic programs of a regionally accredited not-for-profit online baccalaureate degree-granting institution of higher education into state policy and strategy.

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Seaquist, Chair; Carlyle, Vice Chair; Haler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Buys, Crouse, Fagan, Jacks, Probst, Sells, Springer, Warnick and Zeiger.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Hasegawa and Reykdal.

**Staff:** Madeleine Thompson (786-7304).

#### Background:

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

The Western Governors University (WGU) is a private, not-for-profit, online degree-granting university. The WGU offers undergraduate and graduate degree programs in business, teacher education, information technology, and health professions, including nursing. The university was founded in 1997 by a group of 19 western governors, including Governor Mike Lowry. The WGU enrolled its first student in 1999. While the WGU receives grants from state and federal agencies as well as corporations and foundations, it does not rely on direct state or federal funding for its operations.

The WGU is regionally accredited by the Northwest Commission on Colleges and Universities. The WGU is also nationally accredited by the Distance Education and Training Council, the National Council for the Accreditation of Teacher Education, the Commission for Collegiate Nursing Education, and the Commission on Accreditation for Health Informatics and Information Management Education.

The WGU degrees are competency-based rather than credit-based. Each student is assigned a mentor and graduation specialists are available to support student success.

**Summary of Substitute Bill:**

The Legislature expresses its intent to partner with the WGU to establish the WGU-Washington and provide enhanced access to post-secondary education for all Washington students, including dislocated workers and place bound students. The WGU-Washington is recognized as a Washington baccalaureate degree granting institution that is self-supporting.

The Higher Education Coordinating Board (HECB) may recognize and endorse online, competency-based education, work to eliminate unnecessary barriers to the delivery of online, competency-based education, and work with a regionally accredited not-for-profit online baccalaureate degree granting institution of higher education to integrate its academic programs and services into state policy and strategy. The HECB may work with that institution to create data-sharing processes and performance assessments. Modifications in contractual terms or relationships, changes in not-for-profit status, or any internal restructuring of the institution will require consultation and approval by the HECB. The HECB shall adopt rules for this purpose.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) Achieving baccalaureate degrees through online learning is offered as one of a menu of options and is not intended to replace other options. This approach to higher education is focused on adult learners who require a baccalaureate degree to improve their competitiveness in the job market. Students are each assigned a mentor that supports students throughout their entire program. This option is much more affordable than other online

options currently available. The time is right as the state needs to educate more people to higher levels and find new ways to do this without burdening the state or the students. These online learning options have the support of major higher education foundations. Employers rate graduates as equal or better prepared than graduates from other public or private institutions.

(In support with concerns) The impact on the State Need Grant is an unknown.

(With concerns) It is unknown what the implications are for our state financial aid programs and whether students taking these programs are eligible.

(Opposed) Online learning is not a replacement for one-on-one conversation. It is possible to enhance but not replace classroom learning. The proposed online partner uses competency-based learning and it is difficult to transfer competencies in our current system.

**Persons Testifying:** (In support) Representative Kenney, prime sponsor; Sam Smith and Allison Barber, Western Governors Association; Cable Green, State Board for Community and Technical Colleges; Michelle Benton; John Daane; and Mike Friesen, Western Governors University.

(In support with concerns) Margaret Shepherd, University of Washington.

(With concerns) Ann Anderson, Central Washington University.

(Opposed) Tony Flinn, Council of Faculty Representatives; and Iris Maute-Gibson, Western Washington University.

**Persons Signed In To Testify But Not Testifying:** None.