
Higher Education Committee

HB 1909

Brief Description: Promoting innovation at community and technology colleges.

Sponsors: Representatives Reykdal, Haler, Seaquist, Carlyle, Hasegawa and Kenney.

Brief Summary of Bill

- Creates the Community and Technical College Innovation Account to implement the Strategic Technology Plan for improving student achievement and efficiency in the community and technical college system.
- Directs community and technical colleges to transfer 3 percent of operating fees to the Community and Technical College Innovation Account.
- Authorizes expenditures from the account for projects that implement the community and technical college system's Strategic Technology Plan or to pay off debt for financing contracts authorized by the Legislature.

Hearing Date: 2/14/11

Staff: Madeleine Thompson (786-7304).

Background:

Strategic Technology Plan.

In 2006 and 2007, the State Board for Community and Technical Colleges (SBCTC) conducted an analysis of technology deployment at community and technical colleges. Their purpose was to learn how technology could be mobilized to advance student learning, student services, and create greater administrative efficiencies. In all three areas, the SBCTC found a need for greater uniformity across the 34 colleges in the system and the P-20 education system.

In 2008, the SBCTC adopted the Strategic Technology Plan (Plan). The SBCTC defines the Plan as a roadmap for how the community and technical college system can leverage 21st Century technologies to support student achievement.

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.

Certificates of Participation.

Institutions of higher education can finance the acquisition, construction, and renovation of facilities using state bonds. Bond proceeds for these projects are appropriated in the Capital Budget. In addition to financing through state bonds, higher education institutions are authorized to enter into financing contracts, such as Certificates of Participation (COPs), which are a type of security sold for a particular purpose and backed by any component of fees and revenues the university derives from its ownership and operation of its facilities. The COPs must be authorized in the Capital Budget and, once authorized, the institution is allowed to begin the construction or purchase process.

The COPs are not subject to appropriation by the Legislature, do not obligate State General Fund revenues to be used for their completion, and do not count towards state debt limit.

Summary of Bill:

Three percent of operating fees are transferred to the Community and Technical College Innovation Account (Account) to be used to implement the SBCTC's Plan. The SBCTC must approve projects under the Plan to improve student achievement, student services, and increase system-wide administrative efficiencies.

The Account is created in the custody of the State Treasurer. Expenditures from the Account must be approved by the Director of the SBCTC or their designee. Expenditures from the Account may be used for two purposes: (1) paying off debt from "financing contracts, such as certificates of participation" authorized by the Legislature; or (2) for projects that implement Plan as approved by the SBCTC.

Appropriation: None.

Fiscal Note: Requested on 2/10/2011.

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