

HOUSE BILL REPORT

ESHB 2546

As Passed House:
February 11, 2014

Title: An act relating to decodifying, expiring, and making technical clarifications to higher education provisions.

Brief Description: Decodifying, expiring, and making technical clarifications to higher education provisions.

Sponsors: House Committee on Higher Education (originally sponsored by Representatives Reykdal, Morrell, Haler, Gregerson and Manweller).

Brief History:

Committee Activity:

Higher Education: 1/29/14 [DPS].

Floor Activity:

Passed House: 2/11/14, 98-0.

Brief Summary of Engrossed Substitute Bill

- Decodifies certain statutes pertaining to general obligation bonds that were issued for higher education capital projects and that have matured.
- Provides expiration dates and clarifications for certain higher education provisions and programs.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Seaquist, Chair; Pollet, Vice Chair; Haler, Ranking Minority Member; Zeiger, Assistant Ranking Minority Member; Gregerson, Hargrove, Johnson, Magendanz, Muri, Reykdal, Scott, Sells, Smith, Tarleton, Walkinshaw, Walsh and Wylie.

Staff: Madeleine Thompson (786-7304).

Background:

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.

General Obligation Bonds.

Washington periodically issues various purpose general obligation bonds to finance projects authorized in the capital budget, including higher education facilities. General obligation bonds pledge the full faith, credit, and taxing power of the state towards payment of debt service. Legislation authorizing the issuance of bonds requires a 60 percent majority vote in both the House of Representatives and the Senate. Bond authorization legislation generally specifies the account or accounts into which bond sale proceeds are deposited, as well as the source of debt service payments. When debt service payments are due, the State Treasurer (Treasurer) withdraws the amounts necessary to make the payments from the State General Fund and deposits them into bond retirement funds. The State Finance Committee, composed of the Governor, the Lieutenant Governor, and the Treasurer, is responsible for supervising and controlling the issuance of all state bonds. General obligation bonds are typically issued with 25-year maturities.

The Displaced Homemaker Program.

The Displaced Homemaker Act of 1979 (Act) expanded services to displaced homemakers provided through the federal government program. The purpose of the Act was to establish guidelines for the State Board for Community and Technical Colleges (SBCTC) related to training, counseling, and providing services to displaced homemakers. The program has not been funded since 2011.

The Project Even Start Program.

Project Even Start was established to help facilitate the expansion of services provided through the federal Even Start Family Literacy Program that was first authorized in 1988 to provide literacy and basic skills training to parents through community and technical colleges. A central purpose of the program was to enable parents to assist their own children to gain literacy skills. The program does not receive funding from the state.

Higher Education Budget Calculations.

Legislation enacted in 1993 set out a state policy directing that the essential requirements level budget calculations for institutions of higher education must include enrollment levels necessary to maintain, by educational sector, the participation rate funded in the 1993 fiscal year. The participation rate is based on the state's estimated population, ages 17 and above, by age group. Budget calculations for financial aid were similarly directed to be based on 1993 participation rates.

The Educational Assistance Grant Program.

The Educational Assistance Grant Program was created in 2003 for students with dependents subject to the availability of receipts of gifts, grants, or endowments from private sources. Since 2003 no gifts, grants, or endowments have been provided for this purpose.

Technical College Districts and Boards.

The Community and Technical College Act of 1991 transferred vocational-technical institutes, now known as technical colleges, from the common school system to the higher education system. State law provides direction for the use of shared facilities between vocational-technical institutes and common schools until such a time as one of the programs could be removed from the facility. Direction was also provided assigning certain vested interests to either school district boards or technical college boards.

State law specifies names, districts, and membership for boards of trustees for each vocational-technical institute (technical college). Districts and membership for boards of trustees are also provided in statutes pertaining to both community colleges and technical colleges.

Auto-Immune Deficiency Syndrome (AIDS) Information.

Legislation related to disseminating information on AIDS was enacted in 1987. Under state law, the SBCTC is required to make information available to all newly matriculated students on methods of transmission and prevention of AIDS.

The High School Completion Pilot Program.

Legislation enacted in 2007 created a pilot program for two community or technical colleges to make courses or a program of study available, on the college campus, designed to enable students under the age of 21 who have completed all state and local high school graduation requirements, except the certificate of academic achievement or certificate of individual achievement, to complete their high school education and obtain a high school diploma.

The Washington Scholars Program.

The Washington Scholars Program recognizes the accomplishments of four high school seniors from each of the state's 49 legislative districts. Eligible students receive state scholarships for up to four years. The scholarships can be used at any of Washington's public or private colleges or universities. Funding for the program was suspended in the 2013-15 biennial budget, though scholars selected in earlier years continue to receive their awards.

The Council of Presidents.

The Council of Presidents (COP) is an association of Washington's six public baccalaureate institutions. Membership includes the presidents of each institution. The COP provides coordination for a number of initiatives and activities common to the public baccalaureate institutions.

Summary of Engrossed Substitute Bill:

Certain statutes pertaining to general obligation bonds that were issued for higher education projects that have matured, are decodified.

An expiration date of July 1, 2014, is provided for the following provisions:

- the Displaced Homemaker Act;
- the Project Even Start program;
- developing a system for personal identifiers;
- enrollments and financial aid budget calculations based on 1993 participation rates;
- the Educational Assistance Grant;
- the naming of vocational-technical institutes, their districts, and providing for boards of trustees;
- certain statutes pertaining to the transfer of vocational-technical institutes from the common school system to the higher education system;
- the Opportunity Express website;

- making information available to all newly matriculated students on methods of transmission and prevention of AIDS; and
- the high school completion pilot program.

Authorization of tuition waivers for recipients of the Washington Scholars Award pertaining to the period prior to 1994 are removed.

A technical clarification is made to certain statutes, replacing a term that is not a defined entity in statute as follows: the term "Council of Presidents" is replaced with "a representative of four-year institutions of higher education."

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) This proposal removes directions that are no longer relevant. The clarification for statutes that guide the community and technical college system is appreciated.

(Opposed) None.

Persons Testifying: Alison Grazzini Smith, State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.