
Higher Education Committee

HB 2653

Brief Description: Providing higher education degree production incentives.

Sponsors: Representatives Zeiger, Pollet, Haler, Morrell and Freeman.

Brief Summary of Bill

- Creates the Degree Production Incentive Account (Account), as an appropriated account in the State Treasury.
- Directs that expenditures from the Account may be used only for degree production incentive purposes as specified.
- Directs that the purpose is to provide incentives to the state universities, the regional universities, and The Evergreen State College to meet degree production goals to increase total undergraduate degrees awarded, undergraduate degrees awarded in science, technology, engineering, and math and high employer demand fields, degrees awarded to low-income students, and the proportion of in-state students accepted compared to out-of-state students.
- Provides that the data used to determine points earned for degree production incentive purposes shall be the same as used for the higher education Data Dashboard collected by the Education Research and Data Center at the Office of Financial Management.

Hearing Date: 1/31/14

Staff: Madeleine Thompson (786-7304).

Background:

A proviso in the 2013 Omnibus Appropriations Act recognized the Student Achievement Initiative of the community and technical college system in Washington as one that is nationally acclaimed for leading to significant improvement at community and technical colleges. With the goal of creating such efficiencies at public baccalaureate institutions, the Office of Financial

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.

Management (OFM) was directed to convene a Technical Incentive Funding Model Task Force (Task Force) in coordination with the Joint Committee on Higher Education, and the Washington Student Achievement Council, and to propose an incentive funding model for the public baccalaureate institutions.

The Task Force report, submitted on December 31, 2013, included six recommendations as follows:

1. support "Washington-specific" statewide achievement goals based on college access and completion, which represent the state's greatest need;
2. identify institution-specific metrics based on institutional mission;
3. provide new, up-front performance funding investment in conjunction with the state budget processes;
4. establish a simple, ongoing system for monitoring and funding institution-specific metrics that align with the biennial budgeting process;
5. start with the timeline for performance funding now and renew on a biennial basis going forward; and
6. pursue baseline funding objectives through adequate maintenance level funding, institution-level investments, and performance incentive funding.

Summary of Bill:

The Degree Production Incentive Account (Account) is created as an appropriated account, in the State Treasury. Expenditures from the Account may be used only for degree production incentive purposes and distributed based on a formula for the purpose of providing incentives to the state universities, the regional universities, and The Evergreen State College to meet degree production goals. The goals are to increase production of the following degrees:

- undergraduate degrees awarded;
- undergraduate degrees awarded in science, technology, engineering, and math (STEM), and high employer demand fields;
- degrees awarded to low-income students; and
- the proportion of in-state students accepted compared to out-of-state students.

Degree production incentive moneys must be disbursed to each of the state universities, the regional universities, and The Evergreen State College according to the number of points earned. The method for earning points shall be based on the formula as follows:

- (a) One point is earned for each undergraduate degree awarded.
- (b) One point is earned for each undergraduate degree awarded in science, technology, engineering, and math (STEM), and high employer demand fields.
- (c) One point will be earned for each degree awarded to a low-income student based on the student's eligibility for a federal Pell grant.

The total number of points earned by an institution equals the sum of points earned for degrees awarded for (a) through (c) multiplied by the acceptance rate of in-state students.

The data used to determine points earned for degree production incentive purposes shall be the same as used for the higher education Data Dashboard collected by the Education Research and Data Center at OFM.

Appropriation: None.

Fiscal Note: Available.

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