

2009 Legislative Session
Bills Passed by Legislature

ACADEMICS

House Bill 1156

Sponsor: Anderson

Signed by Governor, April 23, 2009

Applicants for alternative route programs who are eligible veterans or National Guard members, and who otherwise meet the entry requirements for the program for which application is made, are given preference in admission and for scholarships. "Eligible veteran or National Guard member" is defined as "a Washington domiciliary who was an active or reserve member of the United States military or naval forces, or a National Guard member called to active duty, who served in active federal service, under either Title 10 or Title 32 of the United States Code, in a war or conflict fought on foreign soil or in international waters or in another location in support of those serving on foreign soil or in international waters, and if discharged from service, has received an honorable discharge." Titles 10 and 32 of the United States Code encompass the Army, Navy, Marines, Air Force, Reserve, and National Guard.

House Bill 1328

Sponsor: Carlyle

Signed by Governor, April 13, 2009

In addition to offering technical degrees, technical colleges are allowed to offer transfer degrees that prepare students for professional bachelor's degrees. Professional degrees, in this context, are those that prepare students for a specific field or occupation including engineering, engineering technology, pre-nursing, business, construction management, and teacher preparation for secondary education in science, technology, and math areas. The SBCTC adopts rules creating consistency between community and technical colleges offering associate degrees that prepare students for these degrees. The SBCTC may address issues related to tuition and fee rates, tuition waivers, enrollment counting including the use of credits instead of clock hours, and degree granting authority.

House Bill 1946

Sponsor: Carlyle

Signed by Governor, May 7, 2009

All institutions of higher education are encouraged to use common online learning technologies, including those currently managed by the SBCTC. Institutions that decide to migrate to the common system may begin doing so immediately. **For those institutions that opt in, the SBCTC will adjust current licenses to accommodate the additional schools and convene a workgroup to determine a shared fee structure. The Higher Education Coordinating Board (HECB) must convene a workgroup to improve the effectiveness, efficiency, and quality of education relative to the use of technology.** The group must include representatives from each of the public baccalaureate institutions, six community or technical colleges; two faculty members from four-year institutions, two faculty members from community and technical colleges, at least one of the faculty members from each sector must be selected by statewide bargaining representatives; and one representative each from the HECB, the SBCTC, the Workforce Training and Education Coordinating Board, the Department of Information Services, and the Council of Presidents. **The group must take the following actions in developing the plan: Investigate efforts in other states regarding online learning technologies, personalized online student services, integrated administrative tools, shared**

library resources, methods for sharing digital content, methods for pooling and sharing enrollments in online classes, and methods for ensuring quality of online programs and classes. Develop a process and timeline for implementing the recommendations of the various investigations. Focus on statewide capability and standards to create effective use of common resources. Identify the metrics that can be used to gauge success. Conduct a comprehensive audit of existing Information Technology resources currently being used at all public institutions of higher education including employees, infrastructure, and licenses. Failure of an institution to participate must be noted in the workgroup's plan. Subject to appropriations for this purpose, the HECB must contract with an independent consultant to review the findings of the audit. Recommend strategies to reduce duplication, increase quality, and increase student access. Recommend governance and funding models as well as accountability measures. Provide a preliminary report to the Legislature by December 1, 2009, and a final report by December 1, 2010. The act is null and void if it is not funded or referenced in the conference operating budget. \$227,000 was appropriated for 2010 and \$11,000 was appropriated for 2011 in the operating budget.

House Bill 2119

Sponsor: Wallace

Signed by Governor, May 11, 2009

The Legislature recognizes the need for a well-prepared workforce and the value of the various dual credit programs to the state, its workforce, and the individual students and their families. It is important to increase the number of students in dual credit programs as well as the availability of the various programs. **By September 1, 2010, and annually thereafter, the Office of the Superintendent of Public Instruction (OSPI), in collaboration with the State Board for Community and Technical Colleges (SBCTC), the Workforce Training and Education Coordinating Board, the Apprenticeship Council, the Higher Education Coordinating Board (HECB), and the public baccalaureate institutions must report to the higher education committees in the Legislature regarding participation in dual credit programs.**

The report must include the following data, disaggregated by race, ethnicity, gender, and receipt of free or reduced-price lunch: student participation rates and academic performance; the total unduplicated head count of students enrolled in at least one dual credit program; and the percentage of students who enrolled in at least one dual credit program as a percent of all students enrolled in grades 9 through 12. The OSPI, the SBCTC, the HECB, and the public baccalaureate institutions must jointly develop, and each adopt, rules governing College in the High School. In developing these rules, the Association of Washington School Principals must be consulted.

These rules must be written to encourage the maximum use of the program and may not narrow or limit enrollment. College in the High School programs are to be governed by a local contract between a school district and an institution of higher education. The following requirements apply: Student eligibility is determined by the high school and the institution of higher education. Tuition may be charged. No student may be reported for more than one full-time equivalent. Funds received by the institution of higher education may not be deemed tuition or operating fees; they may be retained by the institution. Enrollment information must be maintained separately from other information, may not be included in official enrollment reports, and high school students so enrolled may not be considered in any enrollment statistics that would affect higher education budgetary determinations. School districts must award high school credit for successful completion and these credits shall be applied toward graduation and subject area requirements. Institutions of higher education must grant college credit for successful completion and these credits shall be applied toward general education or major requirements. Eleventh and 12th grade students and those who have not yet received a high school diploma and are eligible to be in these grades may participate. Participating school districts must provide information about the College in the High School program to the parents and guardians of 10th, 11th, and 12th

graders. Full-time and part-time faculty at the institutions of higher education are eligible to teach courses in the program. The OSPI and the HECB must develop advising guidelines to assure that students and parents understand that college credits earned in high school dual credit programs may impact eligibility for financial aid. The Running Start statutes are amended to reflect that such programs are not found just at the community and technical colleges but also may be offered by a public tribal college located in Washington that meets accreditation requirements and some of the four year public institutions. Running Start students attending community and technical colleges shall pay mandatory fees as established by the community and technical college, prorated based upon credit load. Four-year institutions may charge technology fees only. Institutions of higher education must make available fee waivers for low-income students. A Running Start student must be considered low-income, and eligible for a fee waiver, upon proof that the student is currently qualified to receive free or reduced-price lunch. Students enrolled in Running Start shall be counted for the purpose of meeting enrollment targets imposed by the state on the institution of higher education in accordance with the terms and conditions specified in the omnibus appropriations act. The SBCTC, in collaboration with the OSPI and institutions of higher education that offer Running Start, is charged with developing long-term funding proposals for Running Start and reporting recommendations to the Legislature by September 1, 2010.

Senate Bill 5043

Sponsor: Kilmer

Signed by Governor, April 8, 2009

The HECB convenes a work group to develop a plan to create a one-stop, web based portal for students and families planning, preparing, and applying for, as well as those attending, postsecondary education. The purpose of the portal is to provide comprehensive information and applications regarding financial, academic, and career planning. The work group investigates similar ongoing efforts in other states including what information and services are typically offered, what planning stages and budgets are associated with portals, and whether the states' efforts are increasing postsecondary participation. The portal must be student-centered and must not presuppose a sophisticated understanding of postsecondary education. The portal must utilize existing infrastructure whenever possible. The final report of the work group along with proposed enabling legislative and administrative solutions is due to the Legislature by December 1, 2009.

Senate Bill 5173

Sponsor: Shin

Signed by Governor, April 30, 2009

In addition to honorary bachelor's and master's degrees, WWU, CWU, and EWU are authorized to confer honorary doctoral degrees in recognition of a person's learning or devotion to education, literature, art, or science. The restriction that these honorary degrees may only be granted to persons who did not graduate from the granting institution is removed.

Senate Bill 5276

Sponsor: Schoesler

Signed by Governor, April 24, 2009

Civil engineering, mechanical engineering, and chemical engineering are no longer exclusive major lines at WSU and UW. Aeronautic and astronautic engineering are no longer exclusive major lines at UW. Undergraduate or graduate degrees in these lines of study may be offered at any institution of higher education in Washington.

BUDGET: CAPITAL

House 1216

Sponsor: Dunshee

Signed and partially vetoed by Governor, May 15, 2009

Adopting a 2009-11 capital budget

House Bill 1272

Sponsor: Dunshee

Signed by Governor, May 15, 2009

Authorizes the issuance of general obligation bonds to support appropriations in the 2009 Supplemental and the 2009-11 Capital Budgets. Authorized the issuance of general obligation bonds for the State Route number 520 corridor projects.

House Bill 2254

Sponsor: White

Signed by Governor, May 15 2009

Higher education building and capital project accounts may be used for COP debt service payments. The University of Washington and Washington State University building accounts may additionally be used for debt service on bonds issued for capital construction or acquisition projects authorized by the Legislature. Expenditures from the University of Washington and the Washington State University Bond Retirement Funds do not require an appropriation in order to pay debt service on such authorized projects. Any revenue available in building accounts, rather than only such revenue as is generated by student building fees, may be used for COP or bond debt service. The nonappropriated status of expenditures from the bond retirement funds is clarified. Authorization for the University of Washington and Washington State University to use building fees to finance bonds issued against accounts other than the bond retirement funds is dropped.

House Bill 2334

Sponsor: Dunshee

House Rules

The Washington Works Act is enacted. The stated legislative intent is to create jobs by issuing bonds for safety, health, and energy efficiency improvements to public facilities, including all public school districts, higher education institutions, and other public facilities. The stated intent is to not displace funding in state capital and operating budgets, but to expend funds made available through a referendum to the people as quickly as possible consistent with good management practices. Bond Authorization. The State Finance Committee is authorized to issue general obligation bonds in the amount of \$3 billion to create jobs by constructing capital improvements for the safety, health, and energy efficiency of public facilities. The bonds are to be known as the Washington Works Bonds. Accounts. The Stabilization Debt Payment Account, an appropriated account, is created to receive repayment of one-half of the Washington Works Bonds appropriated to the Department of General Administration (GA) for energy efficiency improvements. Funds are transferred from the Stabilization Debt Payment Account to the Nondebt-limit Reimbursable Bond Retirement Account for payment of bond principal and interest payments. If the Stabilization Debt Payment Account has insufficient revenues for the principal and interest payments, the remaining amount is paid from additional means provided by the Legislature. The Washington Works Account, an appropriated account, is created to receive proceeds from the bond issuance. **The uses of the Washington Works Account include safety, health, and energy efficiency improvements to schools and other public facilities included in**

the bill. Appropriations. Appropriations are made to educational agencies and the GA for the safety, health, and energy efficiency of facilities. Each state agency receiving proceeds from the Washington Works Bonds issuance must report to the Legislature and the Office of Financial Management on the timing and use of funds by the end of each fiscal year until the funds are fully expended. *The Superintendent of Public Instruction* Approximately \$2 billion is appropriated to the Office of the Superintendent of Public Instruction (OSPI) for the modernization and renovation of school facilities to address the safety and health needs and to improve the energy efficiency of school facilities. Immediate safety and health improvements must be considered the highest priority. Each school district receives a minimum of \$100,000, and the OSPI must distribute the remainder by equal amounts per full-time equivalent student to each school district, which is approximately \$2,000 per student. *Higher Education Institutions* The higher education institutions receive appropriations in the following amounts for improvements related to safety, health, and energy efficiency of public facilities, with energy efficiency projects taking priority: \$286 million for the Community and Technical College System; \$79.1 million for the University of Washington; \$45.7 million for Washington State University; \$25 million for Western Washington University; \$19.1 million for Eastern Washington University; \$18.8 million for Central Washington University; **and \$8.6 million for The Evergreen State College.** *The Department of General Administration* An appropriation in the amount of \$500 million is made to the GA, which is directed to work with Washington State University's Energy Extension Program and the Department of Community, Trade and Economic Development to provide energy efficiency services for public facilities. Performance-based contracting is the preferred method of delivering the services unless another method of delivering the services is more efficient or cost-effective. One-half of the Washington Works Bonds appropriated for energy efficiency improvements must be repaid and deposited into the Stabilization Debt Payment Account. Up to \$200 million of the total appropriation to the GA is for energy efficiency improvements in K-12 public schools and higher education institutions. The State Treasurer is directed to determine a mechanism to allow individual Washington residents to purchase Washington Works Bonds. *Definitions.* Energy-savings performance contracting is defined as the process by which a company contracts with a state agency to conduct no-cost energy audits, guarantees energy savings from energy efficiency, provides financing for energy efficiency improvements, and agrees to receive payment from the savings resulting from the energy efficiency improvement. (The process is authorized in chapter 39.35C RCW.) Energy efficiency services include energy audits, weatherization, energy efficiency retrofits, and energy efficiency measures or improvements. Public facilities are buildings, building components, and major equipment or systems. *Voter Approval.* The title, intent, and bond authorization proposal is referred to a vote of the people at the next general election. The ballot title is "The Legislature has passed House Bill No. (this act), concerning funding improvements for schools and other public facilities. This bill would authorize bonds to construct safety, health, and energy efficiency improvements to schools and other public facilities." If the pertinent parts of the act are not approved by the voters, the entire act is null and void. Directs OSPI to prioritize immediate safety and health improvements to address the safety and health needs and to improve the energy efficiency of K-12 school facilities. The appropriation uses are changed from energy efficiency improvements to public buildings to energy efficiency improvements to public facilities. One-half of the funds, instead of one-half of the energy savings, must be repaid, and a 10-year time limit for which the funds must be repaid is added. The State Treasurer is directed to develop a system for Washington residents to purchase Washington Works Bonds.

Senate Bill 5537**Sponsor: Fraser****Signed by Governor, May 15, 2009**

The bill repeals the existing statutory debt limit and strikes references to it throughout the Revised Code of Washington. The bill adds a new section that establishes a new statutory debt limit that is the same as the Constitutional debt limit, thus creating a single debt limit for the state.

Senate Bill 5760**Sponsor: Fraser****Senate Rules**

The Boards of Regents (Boards) for the UW and WSU are granted specific authority for public works projects whenever the revenue source for the projects does not include state-appropriated funds. The authority granted allows the universities to award public works projects using a small works roster process for projects with an estimated cost of up to \$1 million, and using the DBB, DB, or GCCM construction methods for projects with an estimated cost in excess of \$1 million. Contracts must be awarded after public notice and following requirements and procedures established by the Boards to the person or persons able to perform on the most advantageous terms. Requirements and procedures established by the Boards may include, but are not limited to, the following: setting the dollar amount for self performance of work by the general contractor; setting the schedule for establishing the maximum allowable construction cost; and establishing the process for selection of subcontractors. The Boards may not enter into contracts in excess of the amount provided for a specific project and, if the Boards choose to exercise this authority, the statutory bidding or procurement requirements regarding the small works roster process and the alternative public works contracting methods do not apply. However, the statutory requirements regulating a contractor's bond, prevailing wages, and liens for labor, materials, and taxes do apply. The UW and WSU may require prequalification of potential bidders. Persons interested in bidding must submit a questionnaire that requires information about their financial ability and experience as well as the financial ability and experience of any proposed subcontractors. The questionnaire must be sworn to before a notary public, or other authorized person, and submitted at the time required. Based on the information provided, the UW and WSU may disqualify any person from bidding. To be qualified to bid, the potential bidder must have: adequate financial resources or the ability to secure those resources; the necessary experience, organization, and technical qualifications to perform the work; the ability to comply with the required performance schedule; a satisfactory record of performance, integrity, judgment, and skills; and otherwise been qualified and eligible to receive an award under applicable laws and rules. The UW and WSU may limit the number of entities submitting proposals or bids to a number that ensures competition without creating marketing costs for those otherwise qualified to bid. The list of bidders must be selected on a project-by-project basis following the prequalification process. UW and WSU are required to report on major construction projects procured with this new authority, just as they do with projects funded with appropriated accounts.

BUDGET: OPERATING**House 1244****Sponsor: Linville****Signed and partially vetoed by Governor, May 19, 2009**

Adopting a 2009-11 operating budget

House Bill 1694

Sponsor: Linville

Signed by Governor, February 8, 2009

Appropriations are modified for the 2007-09 biennium. This bill reduces Near General Fund–State appropriations by \$636 million. **Total budgeted funds are decreased by \$334 million. Reduced the 2009 supplemental operating budget for Evergreen by \$1.328 million.**

House Bill 2328

Sponsor: Linville

Signed by Governor, April 30, 2009

The following exceptions are added to the restrictions on legislative, executive, and judicial branch state agency activities restricted by ESSB 5460 effective through July 1, 2009:

Restrictions on state agencies' establishment of new positions or filling vacancies through July 1, 2009, do not apply to positions that are filled by enrolled students at higher education institutions as student workers, positions in campus police and security, positions related to emergency management and response, and positions related to student health care and counseling. Restrictions on state agencies from entering into personal services contracts not related to emergencies requiring government action to protect public safety through July 1, 2009, do not apply to contracts related to hearing officers related to real estate appraisals or habitat assessments, carrying out court orders, or contracts related to information technology contracts for Information Services Board-approved projects, or contracts related to Judicial Information systems projects. **Restrictions on state agencies' equipment purchases over \$5,000 not related to emergencies requiring government action to protect public safety through July 1, 2009, do not apply to equipment purchases that are funded exclusively from private or federal grants or for equipment necessary to complete a project funded in the capital or transportation budgets, or the operational divisions of the Department of Information Services, or related to the maintenance of existing computer software and hardware, or for costs related to the Judicial Information System.** Restrictions on state agencies' travel and training expenditures through July 1, 2009, do not apply to costs related to carrying out a court order, or to travel by air into Washington from any airport located in a contiguous state of which the largest city is part of a metropolitan statistical area with a city located in Washington, or to motor vehicle and parking costs for single day travel to a contiguous state or British Columbia, Canada. **The requirement that where exceptions to the various restrictions are granted by the Director of the Office of Financial Management are delayed in taking effect until no sooner than five business days following notification of the Chairs and Ranking Minority Members of the Ways and Means Committees of the House of Representatives and the Senate is removed Notwithstanding the restrictions of ESSB 5460, institutions of higher education may grant wage or salary increases to critical academic personnel as needed for retention purposes, or for additional academic responsibilities during the summer quarter.** Creates a new chapter in Title 49 of the Revised Code of Washington (Labor Regulations) and requires that the Department of Personnel adopt rules to provide allowances for training opportunities for employees with sensory disabilities necessary to obtain new service animals. These training programs must be treated by agencies in the same manner as training to improve job performance. Employees must provide notice to employers of up to 30 days prior to the training, if the training will require the employee to miss work, and if the timing is foreseeable.

Senate Bill 5460**Sponsor: Tom****Signed by Governor, February 2009**

For the 12 months following the enactment of this legislation, state agencies are prohibited from granting salary or wage increases to any employees who are exempt from classification under the State Civil Service Act. Until July 1, 2009, state agencies are prohibited from establishing new employee positions or filling existing vacant employee positions. Exceptions are provided for specified functions directly related to public health and safety, higher education academic programs, law enforcement, revenue collections, the Gambling Commission, and seasonal employment in natural resources agencies and the Department of Transportation maintenance program. Until July 1, 2009, state agencies are prohibited from signing new contracts for personal services not related to an emergency or not funded from private or federal grants. Until July 1, 2009, state agencies are prohibited from acquiring items of equipment exceeding \$5,000 and not relating to an emergency. Until July 1, 2009, state agencies are prohibited from making expenditures for state employee out-of-state travel or training not related to an emergency or direct service delivery. Travel costs paid from private or federal grants are not affected.

The hiring, equipment, travel, training, and personal services contract restrictions do not apply to the unemployment insurance program or programs necessary for tax and fee collection or receipt of funds from the federal government. In institutions of higher education, the restrictions on hiring, personal service contracts, equipment, travel, and training do not apply if the costs are not paid from state funds or tuition. Exceptions to the prohibitions relating to hiring, contracts, equipment, travel, and training may be granted for executive branch agencies by the Director of Financial Management after five days' notice to the legislative fiscal committees. For the legislative and judicial branches, exceptions will be granted by the Secretary of the Senate, Chief Clerk of the House, and the Chief Justice, respectively. The act applies to all agencies, offices, and institutions of the executive, legislative, and judicial branches of state government.

Senate Bill 5776**Sponsor: McDermott****Signed by Governor, April 22, 2009**

Voluntary student fees for each academic year may be created or increased by a majority vote of the student government or its equivalent, or by a referendum presented to the student body. The use of those fees is not subject to the statute governing the use of public funds for lobbying.

COLLEGE OF EDUCATION**House Bill 1675****Sponsor: Sells****Signed by Governor, April 22, 2009**

Work experience requirements for teacher candidates pursuing residency teacher certification through alternative certification routes one and two are decreased from three years to one year. Work experience requirements for candidates pursuing residency teacher certification through alternative certification routes three and four are removed.

House Bill 2003

Sponsor: Orwall

Signed by Governor, May 18, 2009

The PESB is specifically charged with: developing and maintaining a research base of educator preparation best practices; developing and coordinating initiatives for educator preparation in high-demand fields as well as outreach and recruitment initiatives for underrepresented populations; providing program improvement technical assistance to educator preparation programs; assuring educator preparation program compliance; and preparing and maintaining a cohesive educator development policy framework. The number of governor appointed members is reduced from 20 to 12. The Superintendent of Public Instruction continues to serve on the PESB board, members continue to serve four-year terms, and the current term limits remain in place. The term of the chair is increased from one year to two years; no board member may serve as chair for more than four consecutive years. A majority of the members must be active practitioners with the majority being classroom based. **The PESB board shall also include individuals possessing experience of one or more of the following types: providing or leading a state-approved teacher or educator preparation program;** mentoring and coaching education professionals or others; and education-related community experience. In making appointments, the Governor must consider the individual's commitment to quality education and the ongoing improvement of instruction, experiences in the public or private schools, involvement in developing quality teaching preparation and support programs, and vision for assuring teaching quality. The Governor shall also consider the diversity of the population of the state. The requirement that the Senate confirm appointments to the PESB remains. The PESB is authorized to create informal advisory groups as needed to inform the board's work. The additional appeal to the PESB from the OSPI's suspension or a revocation decision is deleted. Judicial review of the decision pursuant to the APA is still available.

House Bill 2261

Sponsor: Sullivan

Signed and partially vetoed by Governor, May 19, 2009

The Legislature intends to continue to review, evaluate, and revise the definition and funding of Basic Education in order to continue to fulfill the state's obligation under Article IX of the State Constitution. For practical and educational reasons, major changes in the program and funding cannot occur instantaneously. The Legislature intends to develop a realistic implementation strategy and establish a formal structure for monitoring the implementation of an evolving Program of Basic Education and the financing necessary to support it. The Legislature intends that the redefined Program of Basic Education and funding be fully implemented by 2018. It is the Legislature's intent that the policies and formulas under the bill will constitute the Legislature's definition of Basic Education once fully implemented. A Quality Education Council (QEC) is created to recommend and inform ongoing implementation of an evolving definition of Basic Education. Members include eight legislators and representatives of the Governor's Office, the State Board of Education (SBE), the Superintendent of Public Instruction (SPI), the Professional Educator Standards Board (PESB), and the Department of Early Learning (DEL). The QEC develops strategic recommendations on the Program of Basic Education, taking into consideration the capacity of the education system and the progress of implementing data systems. Recommendations are intended to inform educational policy and funding decisions, identify measurable goals and priorities for a ten-year time period, and enable continuing implementation of an evolving program. The QEC makes a report to the Legislature by January 1, 2010, including recommendations for resolving issues or decisions requiring legislative action during the 2010 legislative session. The QEC's first report also includes: a recommended schedule for concurrent phase-in of any changes in the Basic Education Program and funding with full implementation to be completed by September 1, 2018; a recommended schedule for

phasing-in implementation of the new pupil transportation funding formula beginning in 2013; consideration of a statewide mentoring program; and recommendations for a Program of Early Learning for at-risk children. The QEC is staffed by the Office of the Superintendent of Public Instruction (OSPI) and the Office of Financial Management (OFM). After 2009, the QEC meets no more than four times per year.

Program of Basic Education. Definition. Effective September 1, 2011, the Program of Basic Education that complies with Article IX of the State Constitution is: the Instructional Program of Basic Education provided by public schools; the program for students in residential schools and juvenile detention facilities; the program for individuals under age 18 who are in adult correctional facilities; and transportation and transportation services to and from school for eligible students. The Program of Basic Education also includes the opportunity for students to develop the knowledge and skills necessary to meet graduation requirements, intended to allow them the opportunity to graduate with a meaningful high school diploma that prepares them for postsecondary education, gainful employment, and citizenship.

Instructional Program. Also effective September 1, 2011, the minimum Instructional Program of Basic Education offered by school districts is as follows: 180 school days per school year, with 180 half-days for kindergarten, which is increased to 180 full days beginning with schools with the highest percentages of low-income students; a district-wide average of 1,000 instructional hours across all grade levels, to be increased according to an implementation schedule adopted by the Legislature to 1,080 hours in grades 7 through 12 and 1,000 instructional hours in grades 1 through 6; and 450 instructional hours in kindergarten, to be increased to 1,000 hours as full-day kindergarten is phased-in. The Instructional Program also includes the opportunity for students to complete 24 credits for high school graduation, subject to a phase-in of course and credit requirements by the Legislature; supplemental instruction through the Learning Assistance Program (LAP), the Transitional Bilingual Instructional Program (TBIP), and the Highly Capable Program; and Special Education for students with disabilities.

Funding Allocation for Instructional Program. Beginning September 1, 2011, a new distribution formula is created for the allocation of state funds to school districts to support the Instructional Program of Basic Education, to be implemented to the extent the technical details of the formula have been adopted by the Legislature. The formula is for allocation purposes only. Nothing requires a particular teacher-to-student ratio or requires use of allocated funds to pay for particular types or classifications of staff. The formula is based on minimum staffing and non-staff costs to support prototypical schools. Prototypes illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs. Allocations to school districts will be adjusted from the prototypes based on actual full-time equivalent (FTE) student enrollment in each grade in each school in the district, adjusted for small schools and to reflect other factors in the appropriations act. The school prototypes are defined as: High school: 600 FTE students in grades 9 through 12; Middle school: 432 FTE students in grades 7 and 8; and Elementary school: 400 FTE students in grades kindergarten through 6. For each school prototype, the core allocation consists of four parts:

Class Size: an allocation based on the number of FTE teachers calculated using the following factors: the minimum instructional hours required for the grade span, one teacher planning period per day, and average class sizes of various types as specified in the appropriations act;

Other Building Staff: an allocation for principals, teacher-librarians, student health services, guidance counselors, professional development coaches, teaching assistance, office and technology support, custodians, and classified staff providing student/staff safety;

Maintenance, Supplies, and Operating Costs (MSOC): a per-FTE student allocation for student technology, utilities, curriculum, instructional professional development, other building costs, and central office administration. The allocation would be enhanced for student enrollment in certain career and technical education and science courses; and

Central Office Administrative Staff: a staffing allocation calculated as a percentage of the allocations for teachers and other building staff for all schools in the district, with the percentage specified in the appropriations act.

Allocations for middle and high schools that are based on the number of low-income students will be adjusted to reflect underreporting of eligibility for Free and Reduced Price Lunch (FRL) among these students. *Categorical Programs.* Within the distribution formula for the Instructional Program of Basic Education are enhancements in addition to the core allocation for the following categorical programs: *Learning Assistance Program:* an enhancement based on the percent of FRL students in each school to provide an extended school day and school year, plus an allocation for MSOC; *Transitional Bilingual Instruction Program:* an enhancement for students eligible for and enrolled in the TBIP based on the percent of the school day a student is assumed to receive supplemental instruction, plus an allocation for MSOC; *Highly Capable Program:* an enhancement based on 2.314 percent of each district's FTE student enrollment to provide an extended school day and school year, plus an allocation for MSOC; and *Special Education:* an enhancement made on an excess cost basis that is a specified percentage (1.15 percent for students aged birth to five who are not in kindergarten and .9309 for students in grades kindergarten through 12) of the core allocation for basic class size, other building staff, and MSOC. The excess cost allocation is based on district-wide enrollment not to exceed 12.7 percent of total FTE enrollment in grades kindergarten through 12. The Special Education Safety Net is placed into statute. Clarifications and corrections are made to other statutes to align with the new distribution formulas. *Finance Working Group.* The OFM, with assistance from the SPI, convenes a technical working group to develop the new funding formulas and propose an implementation schedule for concurrent phase-in of increased program requirements and increased funding. The working group also examines possible sources of revenue to support increased funding and presents options to the Legislature and the QEC. The working group submits its recommendations to the Legislature by December 1, 2009. *System Capacity.* The OSPI must make biennial determinations of the education system's capacity to accommodate increased resources and report to the Legislature. "System capacity" includes capital facilities, qualified staff and the higher education system's capacity to prepare them, and data and data systems capable of helping the state allocate resources. *Other Programs.* *Early Learning Working Group.* The Legislature finds that disadvantaged young children need supplemental instruction in preschool to assure they have the opportunity to meaningfully participate and reach the necessary levels of achievement in the regular Program of Basic Education. The Legislature intends to establish a Program of Early Learning for at-risk children and intends to include it within the overall Program of Basic Education. The Department of Early Learning (DEL) and the SPI convene a technical working group to continue developing a proposal for a statewide Washington Head Start Program. The working group: recommends eligibility criteria focusing on children aged 3 and 4 considered most at risk; develops options for a mixed service delivery system; develops options for shared governance including the DEL and the SPI; recommends parameters and minimum standards; and continues development of a statewide kindergarten assessment process. The working group submits progress reports to the QEC by September 1, 2010, and September 1, 2011, with a final report due by September 1, 2012. *Graduation Requirements.* The SBE must forward any proposed changes to minimum high school graduation requirements to the legislative education committees and the QEC, and the Legislature must be provided an opportunity to act before changes are adopted. Changes with a fiscal impact on school districts take effect only if formally authorized and funded by the Legislature. *Highly Capable.* The Legislature finds that, for highly capable students, access to accelerated learning and enhanced instruction is access to a Basic Education. The Legislature does not intend to prescribe a single method to identify highly capable students. Instead, the Legislature intends to allocate funding based on 2.314 percent of each school district's population and authorize districts to identify through multiple, objective criteria those students eligible to receive accelerated learning and enhanced instruction through the Highly Capable Program of the district. Access to the Highly Capable Program does not constitute an individual entitlement for any particular student. A Safety Net process is created for districts with demonstrated needs for funding for Highly

Capable Programs beyond amounts provided in the formula. *Pupil Transportation.* A new pupil transportation funding formula is authorized using a regression analysis to allocate funds to school districts. The funding basis of a radius mile is removed. Ridership counts are increased to three times per year, and extended academic day transportation is included within allowable trips. Implementation of the formula is phased-in beginning with the 2013-14 school year, and a method of allocating any increased funding during the phase-in period is specified. Efficiency reporting also begins in the 2013-14 school year. Individual reviews will be conducted on districts with 90 percent or less efficiency. A report summarizing the efficiency reviews and resulting changes made by districts must be submitted to the Legislature by December 1 of each year. Other Topics. ***Certification.*** **By January 1, 2010, the PESB must adopt articulated standards for effective teaching that are evidence-based, measurable, associated with improved student learning, and calibrated on a career continuum. To the extent possible, the PESB must incorporate standards for cultural competency. Also by January 1, 2010, the PESB must: adopt a definition of "master teacher," consistent with and including certification by the National Board for Professional Teaching Standards; submit an update on implementation of the uniform external assessment for professional certification; develop a proposal for a uniform classroom-based means of evaluating teacher effectiveness at preservice, to be used during student teaching. The assessment must include a common and standardized rubric for determining performance and use multiple measures of classroom performance, artifacts, and student work. proposal must establish a timeline for when the assessment would be required, taking into account the capacity of the education system to accommodate a new assessment; recommend the length of time that a residency certificate is valid and the time period for professional certification; and estimate the costs and authority needed to implement these provisions. Beginning no earlier than September 1, 2011, professional certification will be based on two years of successful teaching experience and the results of the external assessment, and may not require candidates to enroll in a professional certification program. Beginning July 1, 2011, residency certificate programs must demonstrate how the program produces effective teachers.** ***Compensation Working Group.*** The OFM, with assistance from the OSPI, convenes a working group beginning July 1, 2011, to recommend the details of an enhanced salary allocation model that aligns educator certification with the compensation system. Recommendations from the working group include: reducing the number of tiers in the salary allocation model; accounting for geographic and labor market adjustments; the role and types of bonuses; accomplishing salary equalization over a set period of years; and fiscal estimates to implement the recommendations, including permanently grandfathering current staff on the current schedule. The working group must also conduct or contract for a comparative labor market analysis of salaries and other compensation for specified groups of educators and school staff. The working group makes an initial report to the Legislature by December 1, 2012. A current statute regarding LID is amended so that school districts are eligible to receive funding that is limited to specific activities related to student learning. ***Local Funding Working Group.*** The Legislature finds that the value of permitting local levies to support public schools must be balanced with the value of equity and fairness to students and taxpayers. Local finance through levies and the LEA are key components of the overall system of financing public schools even though they are outside the definition of Basic Education. The OFM, with assistance from the OSPI, convenes a working group beginning July 1, 2010, to develop options for a new system of supplemental funding through local school levies and the LEA. The working group must recommend a phase-in plan that ensures no school district suffers a decrease in funding from one year to the next due to implementation of the new system. A report to the Legislature is due December 1, 2011. ***Education Data Improvement System.*** It is the Legislature's intent to establish a comprehensive K-12 data improvement system for financial, student, and educator data. The objective of the system is outlined. It is the further intent to provide independent review

and evaluation of the system by the OFM Data Center. It is the Legislature's intent that the K-12 data improvement system include the following: comprehensive educator and student information, with numerous variables specified; capacity to link educator assignment and certification information, and educator information with student information; common coding of courses and major areas of study; a common, standardized structure for reporting the costs of programs; separate accounting of state, federal, and local revenues and costs; information linking state funding formulas to school district budgeting and accounting; information that is centrally accessible and updated regularly; and an anonymous, non-identifiable replicated copy of data that is updated at least quarterly and made available to the public. To the extent data is available, the OSPI must make various specified reports available on the internet, which must be run on-demand against current data or run on the most recent data. The reports include various measures of spending per student and by student, estimated according to a specified algorithm; improvement on statewide assessments, computed as specified; and various calculations of student to teacher ratios. A K-12 Data Governance Group (Governance Group) is established within the OSPI to: create a comprehensive needs requirement document detailing the specific information and technical capacity needed by districts to meet the Legislature's expectations for a K-12 data improvement system; conduct a gap analysis of current and planned information; focus on financial and cost data necessary to support new K-12 financial models and on assuring the capacity to link data across systems; define the operating rules and governance structure for K-12 data collection, as specified; and establish minimum standards for K-12 data systems, as specified. The OSPI must submit a preliminary report to the Legislature by November 15, 2009 and a final report by September 1, 2010. The Data Center must identify critical research and policy questions and the data needed to address them. Annually, the Data Center provides a list of data elements and quality improvements to the Governance Group. Within three months of receiving the list, the Governance Group returns a feasibility analysis, and the Data Center submits a recommendation to the Legislature for any statutory changes or financial resources needed to collect or improve the data. The Data Center and the OSPI must take all actions necessary to secure federal funds to implement these provisions. *Shared Accountability.* The Legislature finds that comprehensive finance reform must be accompanied by a new mechanism for defining relationships and expectations for the state, school districts, and schools. The Legislature intends to develop a proactive, collaborative system in which the state and school districts share accountability for supporting continuous improvement and achieving state standards. The SBE is directed to continue development of an accountability framework that creates a unified system of support for schools. The SBE must develop an accountability index based on student growth using fair, consistent, transparent criteria and multiple indicators including graduation rates and assessment results. Once the index has identified schools needing assistance, a more thorough analysis will be done that includes examination of state resources, achievement gaps, and community support. Based on the accountability index and in consultation with the OSPI, the SBE must develop a proposal and timeline for implementing a comprehensive system of voluntary support and assistance, taking into account the capacity limitations of the K-12 system. The proposal and timeline must be submitted to the Legislature for review before being implemented, and changes with a fiscal impact on school districts take effect only if authorized by the Legislature. The SBE also develops a proposal and timeline for a more formalized comprehensive system targeted to those that have not demonstrated improvement in a voluntary system and also taking into account the capacity limitations of the K-12 system. The proposal takes effect only if formally authorized by the Legislature and includes: an academic performance audit conducted by peer review teams; corrective action plans, to be developed by local schools boards subject to approval by the SBE and which would become binding on the districts; and monitoring of district progress by the OSPI. The SBE must work with the Data Center and the Funding Working Group to determine the feasibility of using the prototypical school funding model as a reporting tool; seek federal approval to use the state accountability

system for federal accountability purposes; and submit proposals and timelines to the Legislature by December 1, 2009.

House Bill 2343

Sponsor: Haigh

Signed by Governor, May 18, 2009

The following Revised Code of Washington (RCW) statutes are amended to make implementation of the associated programs subject to the availability of funds appropriated for the purpose: 28A.655.200 - Diagnostic assessments 28A.415.315 - **Paraprofessional training program** 28A.660.050 - **Alternative Routes' conditional scholarships** 28A.415.350 - **Learning Improvement Days** 28A.415.250 - **Teacher Assistance Program, peer mentoring** 28A.405.415 - **NBPTS bonus program** The NBPTS statute is amended to suspend, for two school years, the inflation-based increase in the annual bonus. The suspended amounts are to be made up by the end of the 2014-15 school year.

FACILITIES

House Bill 1196

Sponsor: Haigh

Signed by Governor, April 13, 2009

The maximum dollar amount allowed for use of a small works roster process is raised from \$200,000 to \$300,000, and the dollar amount requiring notification of all contractors on the roster is changed from between \$100,000 and \$200,000 to between \$150,000 and \$300,000.

House Bill 1197

Sponsor: Haigh

Signed by Governor, April 13, 2009

The CPARB must develop guidelines to be used by the review committee for review and approval of design-build demonstration projects that include procurement of operations and maintenance services. In turn, the review committee may authorize two design-build demonstration projects that include operations and maintenance services for a period of longer than three years. The review committee may approve up to 10 demonstration projects using the design-build process for projects with a total project cost between \$2 and \$10 million. Public bodies certified to use design-build must seek approval from the review committee for these projects. The review committee must report to the CPARB on recommendations for continued use of the design-build procedure for projects estimated under \$10 million. Changes are made to clarify that public bodies seeking certification for the design-build procedure must demonstrate successful management of at least one design-build project within the previous five years, and those seeking certification for the GCCM process must demonstrate successful management of at least one GCCM project within the previous five years. Honorarium payments for design-build projects are made to the finalists submitting responsive proposals rather than those submitting a "best and final" proposal. Sealed bids on final proposals for the GCCM projects must be opened and read in public and all previous scoring must be made available to the public. The GA, the UW, and WSU may issue job order contract work orders for the state regional universities and The Evergreen State College. The statute regarding negotiated adjustments to the lowest bid or proposal for design-build projects is repealed.

House Bill 1199**Sponsor: Haigh****Signed by Governor, April 25, 2009**

Obsolete references relating to retainage of funds on public works contracts entered into prior to September 1, 1992, are removed. Statutes related to timely payment of interest on unpaid public contracts; public works retainage; excess over lien claims to contractor; and duties of the disbursing officer upon final acceptance of contract are each repealed.

House Bill 1847**Sponsor: Linville****Signed by Governor, April 25, 2009**

Bid limits for public works and purchases of materials, supplies, or equipment are increased. Public works bid limits for higher education, first class cities, and counties with a population over 400,000 are raised to \$45,000 if only one trade or craft is involved, and \$90,000 if two or more trades are involved. For second class cities and towns and code cities, the limits are raised to \$40,000 for one trade, and \$65,000 for two or more trades. Bid limits for counties with a population of 400,000 and under are raised from \$10,000 to \$40,000 regardless of the number of trades involved. Bid limits for hospital districts are raised from \$50,000 to \$75,000. For metropolitan park districts (MPDs), fire protection districts, and water sewer districts bid limits are raised to \$20,000, regardless of the number of trades involved. Requirements are added to allow MPDs to purchase materials, supplies, or equipment estimated to cost less than \$40,000 without competitive bidding. Purchases estimated in excess of \$40,000 must be made by competitive bid, and purchases less than \$50,000 must be made using the vendor list process. Authority is given to MPDs to let contracts for purchases of materials, supplies, or equipment with suppliers designated on current state agency, county, city, or town purchasing rosters when the roster has been established in accordance with the competitive bidding law for that state agency, county, city, or town. The price and terms for purchases shall be as prescribed on the applicable roster. The dollar amount for purchases that must be made by competitive contract is increased from \$10,000 to \$40,000 for water and sewer districts.

House Bill 2327**Sponsor: Linville****Signed and partially vetoed by Governor, May 15, 2009**

Twenty-one reports are eliminated and 12 reports are required to be submitted biennially, rather than annually. (See table of eliminated and reduced frequency of reports for detail.) In addition, requirements regarding the production of all legislative reports, as well as annual and biennial reports, in an electronic format-only, are specified. Notice of these reports will be provided to the Legislature and the Office of the Governor, and the reports will be available on the Legislature's Internet home page in an easily accessible manner. Includes the Office of Financial Management and state agencies Annual maintenance reports including the number, size, and condition of state owned facilities; facility maintenance, repair, and operating expenses; condition of major infrastructure systems. For a complete list of reports go to:

<http://apps.leg.wa.gov/documents/billdocs/2009-10/Pdf/Bill%20Reports/House/2327-S.E%20HBR%20SA%2009.pdf>

Senate Bill 5904**Sponsor: Kohl-Welles****Signed by Governor, April 13, 2009**

Independent contractor is defined for prevailing wage purposes. An individual employed on a public works project is not considered to be a laborer, worker, or mechanic, and consequently not required to be paid prevailing wages, when: the individual has been and is free from control or

direction over the performance of services; the service is outside the usual course of business for the contractor for whom the individual performs services; the individual is customarily engaged in an independently established trade; the individual is responsible for filing paperwork with the Internal Revenue Service; the individual has an active and valid certificate of registration with the Department of Revenue for the business the individual is conducting; the individual maintains separate books and records; and the individual has a valid contractor registration or license if the nature of the work requires registration or licensure.

Senate Bill 5873

Sponsor: Kline

Signed by Governor, April 23, 2009

Public works contracts awarded by state four-year institutions of higher education must include apprentice utilization provisions. The apprentice utilization requirements are phased in over a three-year period: For contracts advertised for bid on or after January 1, 2010, for public works by four-year institutions of higher education that are estimated to cost \$3 million or more, the specifications must require that no less than 10 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs. For contracts advertised for bid on or after January 1, 2011, for public works by four-year institutions of higher education estimated to cost \$2 million or more, the specifications must require that no less than 12 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs. For contracts advertised for bid on or after January 1, 2012, for public works by four-year institutions of higher education estimated to cost \$1 million or more, all specifications shall require that no less than 15 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs. In order to meet the responsible bidder criteria and qualify to be awarded a public works project, a bidder on a public works subject to the apprenticeship utilization requirements must not have been found out of compliance by the Washington State Apprenticeship and Training Council for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes, for the one-year period immediately preceding the date of the bid solicitation. An additional violation is added to the list of violations for which a contractor can be barred from bidding on a public works contract if the contractor commits any combination of two violations in a five-year period. The additional violation is being found out of compliance for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes.

FOUNDATION

House Bill 1119

Sponsor: Pedersen

Signed by Governor, May 11, 2009

The UMIFA is repealed and replaced with the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The UPMIFA establishes updated and more specific standards and guidelines for the management and investment of charitable funds and the expenditure of a charitable institution's endowment funds. Decisions regarding management and investment of institutional funds and expenditures or accumulations of endowment funds must be made in good faith and with the care an ordinarily prudent person would use in similar circumstances. An institution, in managing and investing an institutional fund, must consider the charitable purposes of the institution and the purposes of the institutional fund. Additional rules are provided for the management and investment of institutional funds. The factors that must be considered in making investment decisions are expanded to include: tax consequences of investment decisions; the role each investment or course of action plays in the overall investment

portfolio; other resources of the institution; and any special relationship or value of an asset to the charitable purposes of the institution. Decisions concerning an individual asset must be made not in isolation, but in the context of the overall investment strategy. The institution must diversify investments unless the purposes of the fund are better served without diversification. A person with special skills or expertise has a duty to use the skills or expertise in managing and investing institutional funds. Standards for the delegation of management and investment decisions to an agent are provided. An institution must act in good faith with the care of a reasonably prudent person in selecting an agent, establishing the scope and objectives of the delegation, and periodically reviewing and supervising the agent. An agent has the duty to use reasonable care in managing and investing institutional funds. An institution that makes a delegation in conformance with the prudence standard is not liable for acts of the agent. The standard that applies to an institution's decisions about making expenditures from or allowing accumulations to an endowment fund is revised. An institution may make expenditures from or accumulate as much of the endowment fund as the institution is prudent for the uses, purposes, and duration for which the endowment fund is established. Seven factors are established in evaluating expenditure decisions. The circumstances under which a court may modify a restriction in a gift instrument that is impracticable, wasteful, or impossible to achieve are expanded. Any modification must be consistent with the donor's probable intent and the charitable purposes expressed in the gift instrument. An institution may release a restriction in a gift instrument without court approval if the fund subject to the restriction is more than 20 years old and has a value of less than \$75,000, as long as the institution uses the property in a manner consistent with the charitable purposes expressed in the gift instrument. The \$75,000 limitation is increased annually by \$2,500, beginning July 1, 2011. The Attorney General must be provided notice of any proposed modification of a purpose or restriction in a gift instrument. Includes an emergency clause and immediate effective date, but provides that the provisions of the act do not apply to existing institutional funds until July 1, 2009, unless an institution's governing body elects to apply the chapter to existing institutional funds before July 1, 2009.

House Bill 1640

Sponsor: Kessler

Signed by Governor, May 7, 2009

It is the intent of this act to clarify the provisions governing disclosure of information related to the University of Washington's (University) endowment fund. The University must disclose the names and commitment amounts of private funds in which it is invested. In addition, the University must disclose the aggregate quarterly performance results for its portfolio of investments in such funds. An exemption to the PRA is added for financial and commercial information submitted to or obtained by the University when the information relates to investment in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University's consolidated endowment fund or to result in private loss to the providers of this information.

PERSONNEL

House Bill 2049

Sponsor: Seaquist

Signed by Governor, May 18, 2009

The Director must require each state agency to report annually on the number of classified, Washington Management Service, and exempt employees in the agency and the change compared to the previous report; the number of bonuses and performance-based incentives awarded to agency staff; and the cost of each bonus or incentive awarded. A compilation of the data for each agency must be provided annually to the Governor and the appropriate

committees of the Legislature and posted on the Department's website. If a vacant position is being exempted, the exclusive bargaining unit representative may act in lieu of an employee for the purposes of an appeal.

House Bill 2245

Sponsor: Cody

Signed by Governor, May 18, 2009

The PEBB is authorized to design benefits and to determine the criteria for eligibility for those benefits, unless those terms are specified in a collective bargaining agreement negotiated under the terms of the Personnel System Reform Act of 2002 (41.80 RCW). The prohibition on the adoption by the PEBB of eligibility standards substantially different from those effective as of January 1, 1993, is removed. Benefit plan designs adopted by the PEBB must still be substantially equivalent to 1993 offerings. Alternative restrictions are placed on the eligibility standards that the PEBB may adopt for various types of employees. **While detailed requirements vary depending on circumstances of employment, employee eligibility standards may be generalized as follows:** Faculty members at institutions of higher education who are expected to work halftime over a period of at least nine months are eligible for benefits for the entire instructional year. Seasonal employees who are expected to work 80 or more hours per month in each month of the applicable work season are eligible for the benefits for the season of employment. An elected or appointed official of the executive, legislative, or judicial branch of state government is eligible for benefits as of the beginning of his or her term of office or the date that he or she takes the oath of office. Most other employees are eligible for benefits if it is anticipated that they will work at least 80 hours per month for more than six consecutive months. If an employee does not work 80 or more hours in each of six consecutive months but averages at 80 or more hours per month over the six-month period and works at least eight hours in each month, then he or she becomes eligible for benefits at the end of the six-month period. The HCA may delegate to employing agencies the task of determining individual employees' eligibility for benefits. Any determination as to whether or not an employee is eligible for benefits is subject to periodic review. Provisions are established for revising the eligibility for benefits of employees whose actual hours of employment differ from expected levels. The HCA may use eligibility criteria other than those adopted by the PEBB when contracting to provide benefits for employees of a local government entity, school district, educational service district, or tribal government. In addition, the HCA may charge school districts and educational service districts that purchase employee benefits through the PEBB program on a school year basis rather than a fiscal year basis.

PUBLIC MEETINGS

House Bill 1552

Sponsor: Kretz

Signed by Governor, May 5, 2009

During a rule-making hearing, all interested parties shall have the opportunity to comment individually. All comments by all persons shall be done orally in the presence and hearing of all other hearing attendees.

PURCHASING

House Bill 2287

Sponsor: Kessler

Signed by Governor, May 6, 2009

The bill requires each state agency, by July 1, 2010, to develop and implement a paper conservation program with a goal of at least a 30 percent reduction in current paper use, and a paper recycling program to encourage recycling of all paper products with the goal of recycling 100 percent of all copy and printing paper in all buildings with 25 employees or more. The definition of state agency includes but is not limit to: colleges, universities, offices of elected and appointed officers, the Supreme Court, the Court of Appeals, and administrative departments of state government. By December 31, 2009, all state agencies must purchase 100 percent recycled content white cut sheet bond paper used in office printers and copiers. State agencies that utilize office printers and copiers that, after reasonable attempts, cannot be calibrated to utilize such paper must purchase paper at the highest recycled content that can be utilized efficiently by the copier or printer. At the time of lease renewal or at the end of the life-cycle of a printer or copier, state agencies are directed to either lease or purchase a model that will efficiently utilize 100 percent recycled content white cut sheet bond paper. Print projects that require the use of high volume production inserters or high speed digital devices are not required to meet the 100 percent recycled content standard but must utilize the highest recycled content that can be utilized efficiently.

Senate Bill 5723

Sponsor: Kastama

Signed by Governor, May 14, 2009

The SBDC will work with specified state and local economic and workforce development organizations to integrate, target, coordinate, and tailor its services and to establish and expand satellite offices when financially feasible. The SBDC is directed to request approval from the U.S. Small Business Administration of a special emphasis initiative to target assistance to the state's smaller businesses. The SBDC is required to submit a written final report on December 1, 2010, on accomplishments and outcomes of the act's directives. For state chartered banks, contributions to local or statewide business assistance organizations must be considered in assessing the bank's performance in meeting community credit needs. **State agency solicitations of purchased goods and services, personal services, information services, and printing services must be posted on the state's common vendor registration and bid notification system.** The state's central services agencies are to develop procurement policies and procedures which encourage and facilitate state agency purchases of products and services from small businesses in Washington. The Business Assistance Account is created in the state treasury to be used for the expansion of business assistance services delivered by the SBDC.

STUDENT SERVICES

House Bill 1025

Sponsor: Armstrong

Signed by Governor, April 28, 2009

Affiliated bookstores are required to disclose information on required course materials at least four weeks prior to the start of the class for which the materials are required. Course material information includes title, author(s), edition, price, and ISBN. This requirement is waived for faculties who were hired four weeks or less before the start of class and may also be waived on a case-by-case basis by the Chief Academic Officer. Faculty are required to

consider open textbooks and collections of digital materials when considering the least costly options for course materials. Faculty and staff are no longer required to work with publishers to create bundles of course materials if they deliver cost savings to students.

House Bill 1986

Sponsor: Hasegawa

Signed by the Governor, May 11, 2009

Western Washington University must establish a mentoring pilot project in partnership with a community or technical college identified by the State Board for Community and Technical Colleges. The goals of the mentoring program include: (1) encourage elementary students to complete high school and pursue college; (2) provide positive role models; and (3) develop a model that is scalable. The pilot project must be implemented within existing resources. In establishing the pilot project, institutions must: recruit college students to serve as mentors and identify an elementary school or schools; develop a curriculum to train mentors; solicit grants, awards, and gifts; develop appropriate outcome measures; provide community outreach and publicity of the program; and submit two reports to the Legislature; the first preliminary report is due by December 1, 2010, and the final report is due December 1, 2011.

House Bill 2021

Sponsor: Kenney

Signed and partially vetoed by Governor, April 25, 2009

The public institutions of higher education must label the state subsidy per student, under the umbrella term of "Opportunity Pathway" on the tuition billing statement. In addition, the institutions must label all types of financial aid under the umbrella term of "Opportunity Pathway" on the tuition billing statement or the financial aid award letter.

This includes aid from all sources including federal, state, and local governments, local communities, nonprofit and for-profit organizations, and institutions of higher education.

Federal student loans and aid not included in the financial aid awarded through the institution are exempted from the labeling requirements. The tuition billing statement must also notify resident undergraduate students of any higher education tax credits for which they may be eligible. The Institutions retain the ability to customize their tuition billing statements and financial aid award letters to differentiate between programs and provide the clearest information to students, however, all tuition billing statement notifications must be in 12-point font. **The Educational Opportunity Grant (EOG) program is phased out over a period of two years. No new awards are allowed, but current recipients are held harmless and receive their full award.**

Subject to decisions made in the operating budget, funding for the EOG program may be appropriated to the State Need Grant to provide an enhanced need grant for place bound students who have earned an associate degree. The EOG program is removed from statute effective August 1, 2011. The Higher Education Coordinating Board (HECB) must label all student financial assistance programs that they oversee under the umbrella term of "Opportunity Pathway." This includes all printed materials, presentations, and web content. If a web-portal is created that provides a "one-stop shop" for college-going information, all financial aid must be listed underneath the "Opportunity Pathway" label. The website must also contain information about any federal higher education tax credits for which students may be eligible. The HECB retains the ability to customize the display to differentiate between various loan programs. ~~Eligibility for the State Work Study program for non-Washington residents is capped at 15 percent, to the maximum extent practicable. Priority consideration is given to spouses and dependents of persons on active military duty stationed in the state.~~ **The HECB must award competitive grants to colleges and universities that develop partnerships with local firms in high demand industries.** The firms must offer a job placement in a high demand field for at least one academic term. "High demand" can be determined for the state or a sub-state region. Funding

can be used for wages and program administration. Colleges and universities may use their institutional aid funds for students in dual credit programs. **The Higher Education Loan Program (HELP) is created.** The HECB is in charge of program administration and must determine loan repayment obligations, eligibility criteria, total loan limits, fees or other charges related to the loan, as well as create other necessary loan programs like conditional loans or emergency loans. The HELP program is limited to Washington undergraduate and graduate residents who are deemed "needy" by rule of the HECB and will attend a college or university in Washington. Public and private institutions are eligible, provided that they are accredited by an accrediting body recognized by the HECB. Loans provided to resident undergraduate, graduate, or professional students capped at the amount charged for tuition and state-mandated fees at the most expensive public institution of higher education -- depending on what degree the student pursuing. \$146,000 was appropriated for 2010 and \$65,000 was appropriated for 2011

Senate Bill 5001

Sponsor: Jacobsen

Signed by Governor, April 28, 2009

The state matching fund requirement and the scholarship trust fund are eliminated. Funds appropriated by the Legislature for the American Indian Endowed Scholarship program may be deposited directly into the scholarship endowment fund without limitation.

Senate Bill 5044

Sponsor: Kilmer

Signed by Governor, April 22, 2009

Rules developed by the HECB shall, to the extent practicable, limit the proportion of SWS funds expended upon nonresident students to 15 percent, or such lesser amount as specified by the Legislature in the biennial appropriations act. The HECB shall prioritize, to the maximum extent practicable, nonresident students attending eligible institutions in counties bordering Oregon and Idaho when providing state subsidy to nonresident students. The priority given to resident students shall no longer except those students who qualify as residents by virtue of being a spouse or a dependent of a person who is on active military duty stationed in the state. The rules shall encourage job placements in "high employer demand" occupations that meet the state's economic development goals, "including" those in international trade and international relations.

Senate Bill 5925

Sponsor: Shin

Signed by Governor, April 30, 2009

As a condition of participation in study or research abroad programs that are sponsored, arranged, or approved by an institution of higher education, students may be required to purchase approved insurance that will provide coverage for expenses incurred as a result of injury, illness, or death, if the student does not already have adequate insurance. Participating students may also be required to have insurance coverage that includes emergency evacuation or repatriation of remains. The institution may bear all or part of the costs of the insurance.

SUSTAINABILITY

House Bill 2227

Sponsor: Probst

Signed and partially vetoed by Governor, May 18, 2009

The Legislature finds that federal and state policies include new investments in green industry research and development, green energy production incentives, green energy installation, and energy efficiency retrofits. The anticipated increase in demand for green energy will create job opportunities for Washington residents; however, the state and residents may fail to take full advantage of these opportunities if there is a shortage of skilled workers. The Legislature intends that the state create a highly skilled green jobs work force through targeted allocation of existing education and training funds as well as federal appropriations. **The Washington state Evergreen Jobs Initiative is established to: (1) create 15,000 new green economy jobs by 2020; (2) target 30 percent of these jobs to veterans, National Guard members, and low-income and disadvantaged populations; (3) coordinate state agencies to secure and deploy federal funds in a focused, effective way; (4) prepare the workforce to take full advantage of green economy job opportunities; (5) attract private sector investment for job creation and expansion; (6) make the state a net exporter of green industry products and services; (7) empower green job recruitment and training by local workforce development councils (WDCs) and associate development organizations (ADOs); (8) capitalize upon existing partnership agreements; and (9) operate according to the 14 guiding principles in the "Green Economy Strategic Framework."** Evergreen Jobs Leadership Team and Its Responsibilities. The DCTED and the WTB will create the Evergreen Jobs Leadership Team (Leadership Team). The Leadership Team will be chaired by the person designated by the Governor as the single point of accountability for energy and climate change initiatives within state agencies. The Leadership Team will include the WTB, the Economic Development Commission (Commission), the SBCTC, the ESD, the Apprenticeship Training Council, the Office of the Superintendent of Public Instruction, labor, business, at least one representative of a WDC, and other agency representatives as necessary. The Leadership Team's responsibilities are to: accelerate and coordinate efforts to identify and secure funding, with a particular emphasis on funds available from the 2009 American Recovery and Reinvestment Act; coordinate efforts to ensure federal training and education funds are captured and deployed to support green economy projects at the state and local levels in a time efficient, user-friendly manner; identify emerging technologies and innovations likely to contribute to green economy advancements, including innovation partnership zone activities; emphasize, through support and outreach, projects that: have a strong and lasting environmental and economic impact; lead to a domestically or internationally exportable good or service; create training programs leading to a credential, certificate or degree in a green economy field; strengthen the state's competitiveness in a particular green economy sector or cluster; create employment opportunities for veterans, National Guard members, and low-income and disadvantaged populations; comply with prevailing wage provisions; and ensure at least 15 percent of labor hours are performed by apprentices; identify and implement strategies to allocate existing and new funding streams to WDCs and ADOs to increase their effectiveness, efficiency, and capacity to respond rapidly and comprehensively to green job attraction opportunities; identify strategies to allocate existing and new funding streams for green economy workforce training programs and education that lead to a credential, certificate or degree in a green economy field; identify skills and qualifications required to perform energy audits and efficiency services, and must direct education and training resources provided in the appropriations act to establish workforce training and apprenticeship programs to meet the demand for such work; develop a logo or sign to indicate funding of projects by the Evergreen Jobs Act; develop targeting criteria consistent with the Commission's economic development strategy and other goals in this act; make and support outreach efforts to

Washington residents, particularly target populations, to increase awareness of educational and employment opportunities; identify statewide performance metrics for projects receiving agency assistance; and provide semi-annual performance reports to Governor and appropriate legislative committees. The Apprenticeship Council must evaluate the potential of existing programs to produce skilled workers for energy audits and energy efficiency services and deliver its findings to the DCTED, the Leadership Team, and appropriate legislative committees by January 18, 2010. The SBCTC must work with the Leadership Team, Apprenticeship and Training Council, and SPI to jointly develop, by June 30, 2010, curricula and training programs to develop skills and qualifications for energy audits and efficiency services. The SBCTC must target a portion of any federal stimulus funding to ensure commensurate capacity for high-employer demand programs of study developed. The SBCTC must provide an interim report by December 1, 2011, and a final report by December 1, 2013 on the effectiveness of the curricula. The Employment Security Department, in consultation with the DCTED, the WTB, and the Leadership Team must biennially conduct and update green economy-related labor market research; propose which industries will be considered high-demand green industries; and define which family-sustaining wage and benefits ranges within green economy industries will be considered middle- or high-wage occupations and career pathways. The SBCTC, the WTB, and the Apprenticeship Council may give priority to work force training programs that lead to a credential, a certificate, a degree, or an apprenticeship program in green economy jobs. "Prioritization" includes, but is not limited to: the use of high employer-demand funding for work force training programs in green economy jobs, defined as primary industries including clean energy, green building, green transportation, the forestry industry, and environmental protection; increased outreach in partnership with local work force development councils to public utilities, education, labor, government, and private industry to develop tailored, green job training programs; and, increased outreach in partnership with local work force development councils to target populations, defined as: veterans, National Guard members, and low-income and disadvantaged populations. The Evergreen Jobs Account (Account) is created in the State Treasury. Funds deposited in the Account may include public or private gifts, grants, or endowments. Moneys in the Account must be used to supplement the state Opportunity Grant Program (Program), but may not be used for student assistance support services available through the Program. The SBCTC, in consultation with the DCTED and the Leadership Team, may authorize expenditures from the Account. The allowable uses of grant funds distributed on a competitive basis by the SBCTC from the Account include: curriculum development; transitional jobs strategies for dislocated workers in declining industries; workforce education to target populations; adult basic and remedial education linked to occupation skills training; and coordinated outreach by higher education institutions and the WDCs. Chapter 43.330.310 RCW, the Comprehensive Green Economy Jobs Growth Initiative and the Green Industries Jobs Training Account, are repealed. Nothing in this act: requires any agency to get approval from another before allocating funding to the local level; precludes nonstate agencies from applying for federal funding directly; nor allows additional reporting or approval processes or imposition of unfunded mandates on local organizations.

Senate Bill 5560

Sponsor: Ranker

Signed and partially vetoed by Governor, May 15, 2009

All state agencies must meet the statewide GHG emission limits and reduce emissions as follows: by July 1, 2020, to 15 percent below 2005 levels; by 2035, to 25 percent below 2005 levels; by 2050, to the greater of 50 percent below 2005 levels or 70 percent below the expected state government emissions that year. Each state agency must report estimates of 2005 emissions to the Department of Ecology (Ecology). State agencies that are required to report emissions under the Clean Air Act must provide emission estimates as required by the act. The departments may use data such as building space occupied, electricity usage, motor vehicle fuel

purchased, and miles driven to develop the estimates. By June 30, 2011, each state agency must submit a strategy to Ecology on meeting the requirements to reduce GHG emissions. Each state agency must report to Ecology on its actions taken to reduce emissions and energy consumption. GA may report for agencies with fewer than 500 employees. In addition, Ecology must develop an emissions calculator to estimate aggregate emissions and determine emissions from a variety of ways of conducting an activity. Ecology must report to the Governor and the appropriate legislative committees the total state agencies' GHG emissions for 2005 and actions taken to meet emission reduction targets. For motor pools and agency vehicle fleets under their control, GA and the Office of Financial Management must phase in an average fuel economy standard of 36 miles per gallon by June 1, 2015. Motor pool is defined to mean passenger vehicles, including passenger vans and sports utility vehicles. Passenger vehicles used by the Washington State Patrol and for natural resource management in a 50 percent off-pavement capacity are exempt from this requirement. The GA or the responsible agency must conduct an energy audit for state-owned facilities greater than 10,000 square feet that have not had an energy audit completed in the past five years. The director of GA must develop a schedule for completing the energy audits with all audits completed by December 1, 2013. Agencies must install cost effective energy conservation measures recommended in the investment grade audit by June 30, 2016. GA must report to the Governor and the Legislature on progress of developing energy audits, energy benchmarks, and planned energy efficiency measures by December 31, 2014, and a final report by December 31, 2016. Agencies implementing energy conservation measures identified above may retain the savings budgetary restraints provided. This act must be in effect only to the extent that funds are specifically appropriated for the purposes of this act.

Senate Bill 5649

Sponsor: Rockefeller

Signed by Governor, May 7, 2009

The Washington State University (WSU) is authorized to implement grants for pilot programs that provide community-wide residential and commercial energy efficiency upgrades. WSU must coordinate and collaborate with CTED in the design, administration, and implementation elements of the pilot programs. There must be at least three pilot programs which must provide assistance for energy audits and energy efficiency related improvements to structures owned by or used for residential, commercial, or non-profit purposes. Pilot programs receiving funding must provide a report to WSU of compliance by each sponsor receiving a grant on performance metrics such as monetary and energy savings achieved; savings-to-investment ratio achieved; wage levels of jobs created; utilization of pre-apprentice and apprenticeship programs; and efficiency and speed of delivery of services. WSU must review the accuracy of the reports and provide a progress report on all grant pilot programs to the appropriate legislative committees by December 1 of each year. WSU, in consultation with the Department of Agriculture, must form an interdisciplinary team of agricultural and energy extension agencies to help agricultural producers assess opportunities to increase energy efficiency in all aspects of farm energy uses. CTED must establish a process to award grants to financial institutions for the purpose of creating credit enhancements for energy efficiency services and projects. CTED must give priority, when awarding grants, to financial institutions that provide consumer financial products or services and direct out-reach for energy efficiency. CTED may require any financial institution or other entity receiving funding for credit enhancements to provide information and records relating to loan loss reserves and other financing mechanisms to leveraging state and federal dollars. CTED may create an appliance efficiency rebate program with funds available from the appliance efficiency rebate program as authorized under the Federal Energy Policy Act. Where federal funding is available for increasing and improving energy efficiency in low income housing, it must be used to conduct energy audits and implementing energy efficiency measures for housing properties in the Housing Trust Fund Real Estate portfolio. CTED is required to review and prioritize all

housing properties in the Housing Trust Fund Real Estate Portfolio to achieve the greatest energy savings, promote health and safety improvements, and use environmentally friendly sustainable practices and technology. Energy audits of 25 percent of properties over 25 years of age must be completed by June 30, 2011. CTED must give priority to fund implementation of energy efficiency improvements identified in energy audits. Local municipalities receiving federal stimulus funding through the Energy Efficiency and Conservation Block Grant program or State Energy Program may use these funds to establish loan loss reserves or risk reduction mechanisms to leverage financing for energy efficiency projects. CTED must approve all financing mechanisms offered by local municipalities, which must meet all applicable state and federal regulations. State bond authorities may use an allocation of federal energy efficiency funding for designing energy efficiency finance loan products and for developing and operating energy efficiency finance programs. CTED may allocate federal funding to the state bond authorities and may direct and administer funding for outreach, marketing, and delivery of energy services to support the bond authorities' programs. CTED must allocate energy matchmaker funds for low-income weatherization proposals that identify and correct, to the extent possible, health and safety problems including asbestos, lead, and mold hazards; create family-wage jobs that may lead to careers in construction or energy efficiency sectors; and use, to the extent feasible, environmentally friendly sustainable technologies, practices, and designs. Priority must be given to weatherizing low income households with incomes at or below 125 percent of the federal poverty level. CTED must require sponsors to hire individuals trained from workforce training and apprentice programs, if available, pay prevailing wages, hire from the community in which the project is located, and create employment opportunities for veterans, members of the National Guard, and low-income and disadvantage populations. The definition of weatherization is revised to sustainable residential weatherization to allow funding for energy and resource conservation and energy efficiency improvements, repair, and health and safety investments. The Governor must designate an existing full-time equivalent position within state government as the single point of accountability for all energy and climate change initiatives within state agencies. All state agencies, councils, or work groups with energy or climate change initiatives must coordinate with the person designated for this position.

Senate Bill 5735

Sponsor: Rockefeller

Senate Concurrence Calendar

Specifying Legislative Findings and Intent. The Legislature reaffirms the state's greenhouse gas (GHG) emission targets established in 2008. In addition, the Legislature finds, among other things, that despite the current economic downturn, it remains essential that the state fashion a long-term strategy for reducing GHG emissions. The Legislature intends to provide recommendations to the 2011 Legislature regarding the merits of implementing a multisector emissions reduction program, as well as recommendations for complementary measures to achieve the state's emission reduction requirements. Declaring an Emissions Reduction Policy. Policies are specified for the state's position on any regional or national multisector, market-based approach to regulating GHG emissions; for example, assuring equitable economic benefits and opportunities for electric utilities operating in Washington that use hydroelectric generation.

Requiring Recommendations for an Emission Reduction Program and Emission Caps. By December 1, 2010, the Department of Ecology (DOE) must recommend a GHG emissions reduction program that sets statewide and sector emission caps for persons that annually emit at or above 25,000 metric tons of CO₂ equivalents. Except for reporting purposes, emissions from industrial biomass and biofuel combustion are not covered by the program. Starting 2012, the following sectors should be covered by the program: (1) electricity generated in the state or generated out of the state and delivered to the state by long-term financial commitments under the state emissions performance law; (2) industrial and commercial fuel

combustion; and (3) industrial process emissions. Starting 2015, the following sectors should be covered by the program: (1) transportation fuel combustion; (2) residential fuel combustion; and (3) fuel delivered or sold for industrial and commercial combustion where the fuel is used by persons not otherwise covered in 2012. The 2015 phase of the program may include complementary measures, except that measures for transportation fuels must focus on emissions reductions, not raising revenues, and consideration must be given to differing rural and urban circumstances. No more than 49 percent of a sector's total emissions reductions from 2012 to 2020 may be satisfied with offsets. Requiring Alternative Strategies for Achieving Emissions Reductions. By December 1, 2010, DOE must report to the Legislature alternative strategies the state may implement to meet the GHG emissions targets established in 2008. The report must include a comprehensive examination of all measures, not market-based, that the state could employ to reduce the emissions of greenhouse gases, such as regulatory emissions caps and other performance oriented regulations. The report must also incorporate an analysis of the economic impact of an emissions reduction program on the state's consumers, businesses, and citizens. The economic analysis must be conducted by the Forecasting Office of the Office of Financial Management, in consultation with the Governor's Council of Economic Advisors. Requiring Recommendations on Offset Credits. By December 1, 2010, DOE must recommend criteria for recognizing, tracking, and retiring offset credits. In developing the criteria for offset projects, priority must be given to offset projects within the forestry, agriculture, and waste management sectors. With regard to forestry offsets, DOE must give first priority for issuing offset credits for forestry offset projects located in Washington. When developing the criteria for forestry offsets within any regional or national emissions reduction program, DOE must advance the policies developed from consultations with the Forest Practices Board, the Department of Natural Resources (DNR), and the Forest Carbon Working Group. Requiring the Development of Forestry Offset Policy. DOE, in consultation with the Forest Practices Board, the DNR, and the Forest Carbon Working Group, must develop the state's policy for forestry offset projects in Washington. The final policy must be completed by December 31, 2009, unless DOE notifies the agencies and working group that the policy is needed sooner. The policy must include a number of elements, including guidelines for carbon accounting in managed forests. Requiring Recommendations on Financial Incentives for Forestry. DOE must consult with the Forest Practices Board, DNR, and the Forest Carbon Working Group to develop and deliver to the Legislature by December 1, 2010, legislation to implement a financial incentives program for forestry and forest products. Authorizing DOE to Continue Discussions with the Western Climate Initiative (WCI). The director of DOE is authorized to continue discussions with other jurisdictions in the WCI. Requiring Implementation of an Infrastructure Program for Electric and Alternative Fueled Vehicles. Subject to appropriation, the Washington State Department of Transportation (DOT) must implement a program for planning and funding demonstration projects for the charging and fueling of alternative-fueled vehicles. The program includes, among other things, direction to pursue a West Coast initiative for major highways and urban areas. Requiring Certain Regional Transportation Planning Organizations to Seek Funds. A regional transportation planning organization containing any county with a population over one million, in collaboration with representatives from DOE, DOT, the Department of Community, Trade and Economic Development, local governments, and the Office of Regulatory Affairs must seek federal or private funding for the planning for, deployment of, or regulations concerning electric vehicle infrastructure. Creating the Emissions Reduction Assistance Account. An appropriated account is created for 25 percent of specified federal stimulus funds provided to the state for assisting with energy efficiency and renewable energy. Expenditures from the account may be used to assist persons in achieving emissions reductions under DOE's GHG emissions reduction program and to assist the transition of coal-fired facilities to cleaner-burning technologies. Additional purposes for expenditures are specified, such as reducing price impacts for low-

income consumers. Appropriations Provision. This act shall be in effect only to the extent that funds are specifically appropriated for the purposes of this act.

TUITION

House Bill 1487

Sponsor: Hunter

Signed by Governor, April 27, 2009

The definition of resident student for purposes of college and university tuition is expanded to include persons who have lived in Washington, primarily for purposes other than educational, for at least one year and hold either an H-1, E-3, or L visa. The spouse or child of a person holding an H-1, E-3, or L visa also qualifies as a resident student if the spouse or child holds lawful nonimmigrant status. Persons who hold or who have previously held such lawful nonimmigrant status pursuant to an H-1, E-3, or L visa and who have filed an application for a green card are also included in this definition of resident student.

House Bill 2344

Sponsor: Haigh

Signed by Governor, May 18, 2009

During academic years 2009-10 and 2010-11, the state may increase resident undergraduate tuition above the previous 7 percent cap in the Omnibus Appropriations Act. Institutions of higher education are required to notify students of tax credits available through the American Opportunity Tax Credit. The Higher Education Coordinating Board convenes a group of stakeholders to examine tuition policy including an examination of high tuition, high aid model, differential tuition based on income, and other potential state tuition policies. A report, including an examination of the merits of the policies based on administrative feasibility, interactions with federal programs, and impacts on students is due to the Legislature by November 1, 2009. The Joint Legislative Audit and Review Committee conducts a systemic performance audit of the public baccalaureate institutions to create a transparent link between revenues, expenditures, and performance outcomes. The findings and recommendations are due to the Legislature by December 1, 2010.

Senate Bill 5734

Sponsor: Kilmer

Signed by Governor, May 19, 2009

The governing boards' limited tuition-setting authority is extended through the 2012-13 academic year. Beginning in the 2015-16 academic year, tuition fees for full-time students at the state's colleges and universities will be the same as tuition charged in the 2014-15 academic year unless different rates are adopted by the Legislature. The baccalaureate institutions and community and technical colleges must consult with existing student groups before raising tuition and provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by financial aid. The baccalaureate institutions are required to use any tuition increase above 7 percent to fund the cost of instruction, library and student services, utilities and maintenance of buildings, other costs related to instruction, as well as institutional financial aid. Budgetary reductions through 2010-11 to instruction related costs shall be proportionally less than reductions associated with other program areas including administration. Requires the Joint Legislative Audit and Review Committee to conduct a systemic performance audit of the public baccalaureate institutions.