*<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

*Sec. 2. was vetoed, see message at end of chapter.

Passed the Senate April 8, 1975.

Passed the House May 22, 1975.

Approved by the Governor May 31, 1975, with the exception of section 2 which is vetoed.

Filed in Office of Secretary of State May 31, 1975.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section Substitute Senate Bill No. 2123 entitled:

"AN ACT Relating to warrants of municipal corporations."

Section 2 of the bill declares an emergency and provides for the act to take effect immediately. The bill does not measure up to the standard of urgency contained in Article II, section 1(b) of our Constitution. As I have already done on several recent occasions, I am compelled to veto the emergency clause in this bill because it is unwarranted.

With the exception of section 2, the remainder of Substitute Senate Bill No. 2123 is approved."

CHAPTER 132

[Substitute Senate Bill No. 2519] COUNCIL ON HIGHER EDUCATION RENAMED COUNCIL FOR POST-SECONDARY EDUCATION—COMPOSITION, POWERS—COMMISSION ON HIGHER EDUCATION, STATUTES REPEALED

AN ACT Relating to the council on post-secondary education; amending section 1, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.010; amending section 2, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.020; amending section 3, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.040; amending section 6, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.040; amending section 6, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.040; amending section 6, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.040; amending section 6, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.060; amending section 9, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.060; amending section 10, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.090; amending section 11, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.090; amending section 11, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.090; amending section 13, chapter 222, Laws of 1969 ex. sess. and RCW 28B.10.802; amending section 14, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.090; amending section 8, chapter 222, Laws of 1969 ex. sess. and RCW 28B.10.802; amending section 1, chapter 23, Laws of 1972 ex. sess. and RCW 28B.10.840; creating new sections; repealing sections 1, 3, 4, 5, 6, 7, 8, 9, and 12, chapter 263, Laws of 1969 ex. sess. and RCW 28B.81.090 and 28B.81.010, 28B.81.030, 28B.81.040, 28B.81.060, 28B.81.070, 28B.81.080, 28B.81.090 and 28B.81.900; repealing section 2, chapter 263, Laws of 1969 ex. sess., section 10, chapter 102, Laws of 1970 ex. sess. and RCW 28B.81.020; and declaring an emergency and making an effective date.

Be it enacted by the Legislature of the State of Washington: PART I—SUBSTANTIVE CHANGES RESPECTING COUNCIL, ITS POWERS AND DUTIES

Section 1. Section 1, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.010 are each amended to read as follows:

There is hereby created the council ((on higher)) for post-secondary education in the state of Washington.

Sec. 2. Section 2, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.020 are each amended to read as follows:

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The purpose of the council is as follows: The ((higher)) four year educational institutions, under the autonomous governance of their governing boards, and operating within guidelines set by statute for particular institutions of higher education, have responded to the many kinds of educational needs of the people of a dynamic and growing state. They have evolved a wide array of educational services of benefit to students enrolled in degree and certificate courses, to adults returning to educational institutions for various kinds of continuing education needed to update skills and understandings in a changing world, and to government agencies, business, labor professions, and associations. The state has been well served by the delegation to the institutions of a large measure of autonomy which has enabled them to cooperate in achieving educational and operating effectiveness. Opportunity for such institutional initiative and institutional voluntary cooperation should be preserved and encouraged to the largest possible extent.

With the increase in the number of <u>post-secondary</u> institutions and in the scope, variety, and extent of ((higher)) education demanded of the institutions by the people of a dynamic state and the evident need to maintain articulation and coordination among the parts of a more complex system of ((higher)) <u>post-secondary</u> education, it is desirable to establish a council to facilitate planning for ((higher)) post-secondary education.

To assure maximum effectiveness of the agency, its deliberations should be participated in by representatives of the governor, the ((legislature)) public, and the institutions, ((of higher)) agencies, and systems of public and private post-secondary education.

Sec. 3. Section 3, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.030 are each amended to read as follows:

The council may perform any of the following functions:

(1) Engage in overall planning for ((higher)) post-secondary education in the state, which shall include the collection and analysis of necessary data from public, and where appropriate private institutions of ((higher)) post-secondary education. The purpose shall be to:

(a) Assess and define the educational needs of the state to be served by ((higher)) post-secondary education;

(b) Recommend and coordinate studies to ascertain how defined educational needs are being met;

(c) Study and make recommendations concerning adult education, continuing education ((and)), public service and post-secondary educational programs;

(d) Identify priorities among the defined needs and specify the resources necessary to meet them;

(e) Differentiate roles of the community college system and the individual public institutions and identify the most effective division of responsibility among them in meeting defined needs. To facilitate this, review and recommend the creation of all new degrees and recommend which institutions shall award them; and evaluate proposals for the elimination of existing degrees. Identify changing conditions which may require the revision of these roles and division of responsibility of the institutions.

(2) In the execution of the above planning responsibilities, develop criteria for the need for new baccalaureate institutions; and recommend the establishment, location and role of any new public baccalaureate granting institutions, and review the plans for the community college system in terms of their articulation with planning for ((higher)) post-secondary education in the state.

(3) Study levels of fees and charges to students and, when necessary, make recommendations to the institutions, legislature, and governor.

(4) Study and make recommendations concerning admission and transfer policies.

(5) Review individual institutional operating budget requests to determine the conformity or lack thereof to the state's ((higher)) post-secondary education plan: PROVIDED, That its review of community colleges be limited to the plan prepared by the state board for community college education.

(6) Review the individual institutional capital budget requests to determine their conformity or lack thereof to the state's ((higher)) post-secondary education plan: PROVIDED, That its review of community colleges be limited to the plan prepared by the state board for community college education.

(7) Study and make recommendations for the development of improved practices of administrative management in order to facilitate the most efficient operation of the public institutions and the avoidance of unnecessary duplication among the institutions.

(8) At the request of the governor, legislature, state board for community college education, or baccalaureate granting institutions of higher education, and in conjunction with such legislative ((interim)) standing committees on higher education as may be in existence, study and make recommendations regarding legislation affecting ((higher)) post-secondary education.

Sec. 4. Section 4, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.040 are each amended to read as follows:

The council shall consist of members who are truly representative of the public, including the minority community, and shall be selected as follows:

Nine citizen members to be appointed by the governor and confirmed by the senate as representatives of the public at large, one of whom shall be a full time undergraduate student at the time of his or her appointment at a post-secondary educational institution; ((two members of the house of representatives, one from each party, appointed by the speaker of the house; two members of the senate, one from each party, appointed by the president of the senate)) the superintendent of public instruction; ((two members)) one member of the ((governor's staff)) executive branch of government appointed by the governor; ((the presidents of each)) one president of the public universities and four-year colleges of the state who is the chairman of the council of presidents; the executive director of the state board for community college education; ((two presidents)) the executive director of the state's private universities or four-year colleges and one ((community college president)) representative of post-secondary proprietary education, each appointed by the governor.

It shall be the duty of the director of the state board for community college education to represent not only the state board for community college education, but also all the community colleges in the state and their respective governing boards and he is further directed and charged to act as a liaison between the council and the state board for community college education and boards of trustees of the community college districts in the state.

It shall be the duty of the superintendent of public instruction to represent the common school system presenting such information to the council as may be of assistance in the development of overall educational plans and articulation between the common school and post-secondary systems of education.

It shall be the duty of the executive director of the coordinating council for occupational education or its successor agency to represent vocational and technical education, presenting to the council such information regarding the state plan for vocational education and other data as may be of assistance in the development of overall educational plans.

Sec. 5. Section 6, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.060 are each amended to read as follows:

Citizen members of the council shall serve for terms of six years, said terms expiring on June 30th of the sixth year of their term: PROVIDED, That ((of the citizen members first appointed by the governor, three shall be appointed for a term of two years, three shall be appointed for a term of four years and three shall be appointed for a term of the student citizen member shall not exceed three years and shall be coextensive with his or her tenure as a student except for summer sessions.

((The four legislators appointed by the president of the senate and the speaker of the house shall serve for a two year term: PROVIDED, That no legislative member of the council shall continue to serve when he is no longer a member of the legislative branch from which he shall have been appointed.))

The ((members)) member of the council appointed by the governor from ((his staff)) the executive branch of government shall serve at the governor's pleasure.

The term of the <u>superintendent of public instruction</u>, the executive director of the coordinating council for occupational education, and the executive director of the state board for community college education ((as well as the presidents of the public universities and colleges of the state)) shall be coextensive with their tenure in those respective offices.

The president-representatives appointed by the governor shall serve for a ((two)) four year term, or until such earlier date as each shall cease to be the president of the institution or representative of a post-secondary group from which he was appointed.

Sec. 6. Section 9, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.080 are each amended to read as follows:

By a majority vote of the citizen members, the council shall select a chairman who shall be a citizen member; and, the council shall adopt such bylaws as it sees fit.

The council shall appoint an executive coordinator of services who shall serve at the pleasure of the council. The executive coordinator of services shall be the executive officer of the council and, under the council's supervision, shall administer the provisions of this chapter. In addition, he shall be in charge of the office of the council.

The council may employ and appoint such other assistants and employees as may be required. In addition, the council may appoint deputy coordinators who shall be assistant directors for the purpose of chapter 41.06 RCW, the state civil service act, and any individual filling such a position shall serve at the pleasure of the council.

In fulfilling the duties under this chapter, the council shall make extensive use of those state agencies with responsibility for implementing and supporting ((higher)) post-secondary education plans and policies, e.g., appropriate legislative groups, the ((higher)) post-secondary education institutions, the ((central budget agency)) office of program planning and fiscal management, and the state board for community college education. Outside consulting and service agencies may also be employed. The council may compensate these groups and consultants in appropriate ways.

All council funds shall be expended subject to the approval of the chairman. All matter related to payment of compensation and other expenses of the council shall be subject to the state budget and accounting act.

*Sec. 7. Section 10, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.090 are each amended to read as follows:

The council shall meet at least four times each year and at such other times as determined by the chairman who shall give reasonable notice to members of every meeting prior thereto. A majority of the citizen members shall constitute a quorum to conduct the affairs of the council: PROVIDED, That no action shall be taken by less than five affirmative votes therefor.

*Sec. 7. was vetoed, see message at end of chapter.

Sec. 8. Section 11, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.100 are each amended to read as follows:

The council shall from time to time make reports both to the governor and the ((joint committee on higher education)) legislature.

<u>NEW SECTION.</u> Sec. 9. The council is designated as the state commission as provided for in section 1202 of the education amendments of 1972 (public law 92–318), as now or hereafter amended; and shall perform such functions as is necessary to comply with federal directives pertaining to the provisions of such law: PROVIDED, That notwithstanding the provisions of RCW 28B.80.050, all members of the council shall have full voting powers in taking actions related to federal post-secondary educational planning functions as provided for in this section and sections 12 through 15 of this 1975 amendatory act.

Sec. 10. Section 14, chapter 277, Laws of 1969 ex. sess. and RCW 28B.80.900 are each amended to read as follows:

Nothing in this chapter shall be deemed to derogate or detract from the powers and duties conferred by law upon the separate governing boards of the state's institutions of higher learning, the state board for community college education, the superintendent of public instruction, or the powers and duties of any other administrative agency.

PART 2——CODE CHANGES RESULTING FROM ACT'S SUBSTANTIVE CHANGES

<u>NEW SECTION.</u> Sec. 11. The following acts or parts thereof are each hereby repealed:

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(1) Sections 1, 3, 4, 5, 6, 7, 8, 9, and 12, chapter 263, Laws of 1969 ex. sess. and RCW 28B.81.010, 28B.81.030, 28B.81.040, 28B.81.050, 28B.81.060, 28B.81.070, 28B.81.080, 28B.81.090 and 28B.81.900; and

(2) Section 2, chapter 263, Laws of 1969 ex. sess., section 10, chapter 102, Laws of 1970 ex. sess. and RCW 28B.81.020.

NEW SECTION. Sec. 12. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.80 RCW a new section to read as follows:

The council shall administer the following programs: Title IV-B and VI of the Higher Education Act of 1965; Title I of the Higher Education Facilities Act of 1963; and any other federal act pertaining to higher education which is not administered by another state agency.

<u>NEW SECTION.</u> Sec. 13. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.80 RCW a new section to read as follows:

The council shall:

(1) Prepare plans and participation as required by Title VI of the Higher Education Act of 1965 and Title I of the Higher Education Facilities Act of 1963. The plan so prepared shall set forth objective standards and methods, consistent with basic criteria prescribed by the United States commissioner of education; for determining the relevant priorities; and the federal share of the development cost of eligible projects for construction of academic facilities and for the purchase of undergraduate instruction equipment submitted by institutions of higher education in this state.

(2) Conduct surveys and studies as may be necessary for the determination of the state participation in Title I of the Higher Education Facilities Act and Title VI of the Higher Education Act of 1965 and to this end may cooperate with other agencies.

(3) Provide for affording to every applicant who has submitted a project to the council an opportunity for a fair hearing before the council as to the priority assigned to such project or as to any other determination of the council adversely affecting such applicant.

(4) Provide for such fiscal control and fund accounting as may be necessary to assure proper disbursement of an accounting for federal funds paid to the council and for the making of such reports in such form and containing such information as may be necessary to enable the commissioner of education to perform his function.

<u>NEW SECTION.</u> Sec. 14. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.80 RCW a new section to read as follows:

The council is authorized to receive and expend federal funds and any private gifts or grants, such federal funds or private funds to be expended in accordance with the conditions contingent in such grant thereof.

<u>NEW SECTION.</u> Sec. 15. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.80 RCW a new section to read as follows:

The council shall administer any state program or state-administered federal program of student financial aid now or hereafter established.

Sec. 16. Section 8, chapter 222, Laws of 1969 ex. sess. and RCW 28B.10.802 are each amended to read as follows:

As used in RCW 28B.10.800 through 28B.10.824:

(1) "Institutions of higher education" shall mean any public or private college, university or community college in the state of Washington which is accredited by the Northwest Association of Secondary and Higher Schools; and an institute of higher education shall also mean any public vocational-technical institute in the state of Washington.

(2) The term "financial aid" shall mean loans and/or grants to needy students enrolled or accepted for enrollment as a full time student at institutions of higher education.

(3) The term "needy student" shall mean a post high school student of an institution of higher learning as defined in subsection (1) above who demonstrates to the commission the financial inability, either through his parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter.

(4) The term "disadvantaged student" shall mean a post high school student who by reason of adverse cultural, educational, environmental, experiential, familial or other circumstances is unable to qualify for enrollment as a full time student in an institution of higher learning, who would otherwise qualify as a needy student, and who is attending an institution of higher learning under an established program designed to qualify him for enrollment as a full time student.

(5) "Commission" shall mean the council for post-secondary education created in RCW 28B.80.010 as now or hereafter amended.

Sec. 17. Section 1, chapter 23, Laws of 1972 ex. sess. and RCW 28B.10.840 are each amended to read as follows:

The term "institution of higher education" whenever used in RCW 28B.10.840 through 28B.10.844, shall be held and construed to mean any public institution of higher education in Washington. The term "educational board" whenever used in RCW 28B.10.840 through 28B.10.844, shall be held and construed to mean the state board for community college education((;)) and the council on ((higher)) post-secondary education((; and the commission on higher education)).

<u>NEW SECTION.</u> Sec. 18. If any provision of this 1975 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 19. This 1975 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1975.

<u>NEW SECTION.</u> Sec. 20. Sub-act titles shall not be deemed any part of this 1975 amendatory act.

Passed the Senate May 22, 1975.

Passed the House May 20, 1975.

Approved by the Governor May 31, 1975, with the exception of section 7 which is vetoed.

Filed in Office of Secretary of State May 31, 1975.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section Substitute Senate Bill No. 2519 entitled:

"AN ACT Relating to the council on post-secondary education."

This bill amends current law on the structure and duties of the Council on Higher Education and changes its name to the Council on Post-Secondary Education.

Section 7 contains amendatory language which requires five out of the nine voting members to approve <u>any</u> action taken by the council. The present bylaws of the council require five affirmative votes to approve any substantive action, but not for procedural matters or committee actions where other voting rules and quorum requirements may apply. A statutory mandate requiring five votes for all actions, whether substantive or procedural, is unduly restrictive and serves no useful purpose.

With the exception of section 7, which I have vetoed for the foregoing reasons, the remainder of Substitute Senate Bill No. 2519 is approved."

CHAPTER 133

[Engrossed Senate Bill No. 2332] WASHINGTON LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION

AN ACT Relating to insurance; amending section 6, chapter 259, Laws of 1971 ex. sess. and RCW 48.32A.060; and amending section 9, chapter 259, Laws of 1971 ex. sess. and RCW 48.32A.090.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 9, chapter 259, Laws of 1971 ex. sess and RCW 48.32A.090 are each amended to read as follows:

(1) The association shall issue to each insurer paying an assessment under this chapter certificates of contribution, in appropriate form and terms as prescribed or approved by the commissioner, for the amounts so paid into the respective funds. All outstanding certificates against a particular fund shall be of equal dignity and priority without reference to amounts or dates of issue.

(2) An outstanding certificate of contribution shall be shown by the insurer in its financial statements as an admitted asset for such amount and period of time as the commissioner may approve: PROVIDED, That unless a longer period has been allowed by the commissioner the insurer shall in any event at its option have the right to so show a certificate of contribution as an admitted asset at percentages of original face amount for calendar years as follows:

((100% for the calendar year of issuance;
80% for the first calendar year after the year of issuance;
60% for the second calendar year after the year of issuance;
40% for the third calendar year after the year of issuance;
20% for the fourth calendar year after the year of issuance; and
0% for the fifth and subsequent calendar years after the year of issuance;))
100% for the calendar year of issuance;
90% for the first calendar year after the year of issuance;
80% for the second calendar year after the year of issuance;
60% for the third calendar year after the year of issuance;
50% for the fourth calendar year after the year of issuance;