



House of Representatives

General Assembly

File No. 149

February Session, 2010

Substitute House Bill No. 5349

House of Representatives, March 25, 2010

The Committee on Program Review and Investigations reported through REP. MUSHINSKY of the 85th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING A STRATEGIC PLAN AND COORDINATION FOR ALIGNMENT OF POSTSECONDARY EDUCATION AND EMPLOYMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-8b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 (a) The Commissioner of Education shall annually, by December
4 first, determine subject and geographic areas in which a teacher
5 shortage exists and shall certify such shortages to the Connecticut
6 Housing Finance Authority for purposes of section 8-265pp. In
7 determining teacher shortages, the commissioner shall consider the
8 following: (1) The number of teacher vacancies in a particular subject
9 or geographic area; (2) the number of new certificates in such areas
10 issued by the Department of Education during the preceding year; and
11 (3) the number and types of classes being taught by persons whose

12 training is not specific to the field in which they are teaching.

13 (b) The Department of Education shall annually, by January first,
14 electronically distribute to every institution of higher education in this
15 state offering a teacher preparatory program information concerning
16 teacher shortage areas, determined pursuant to subsection (a) of this
17 section, for at least the prior five years.

18 Sec. 2. (NEW) (*Effective from passage*) (a) In accordance with
19 subdivision (2) of subsection (a) of section 10a-6 of the general statutes,
20 as amended by this act, the Board of Governors of Higher Education,
21 after consultation with the Higher Education Coordinating Council,
22 the Labor Commissioner or the commissioner's designee, the
23 Commissioner of Economic and Community Development or the
24 commissioner's designee, the director of the Office of Workforce
25 Competitiveness or the director's designee, the chairperson and
26 ranking members of the joint standing committees having cognizance
27 of matters relating to higher education, employment advancement and
28 commerce or their designees, the chairperson of the board and
29 president of the Connecticut Conference of Independent Colleges or
30 their designees and the president of the Connecticut Business and
31 Industry Association or the president's designee, and any other entities
32 as determined by the Board of Governors of Higher Education, shall:

33 (1) Examine the impact of demographics and workforce trends on
34 higher education in the state;

35 (2) Address the challenges related to increasing the number of
36 young people in the state earning a bachelor degree, increasing the
37 number of young people entering the state's workforce and the
38 disparity in the achievement gap between minority students and the
39 general student population;

40 (3) Develop and implement a strategic master plan pursuant to
41 subdivision (2) of subsection (a) of section 10a-6 of the general statutes,
42 as amended by this act, and include benchmarks for achieving those
43 goals by 2015 and 2020;

44 (4) Examine funding policies for higher education, including
45 coordination of appropriations, tuition and financial aid and seek ways
46 to maximize funding through federal and private grants;

47 (5) Recommend ways in which a constituent unit of the state system
48 of higher education, in a manner consistent with such unit's mission,
49 expand such unit's role in advancing the state's economic growth; and

50 (6) Submit a biennium report, in accordance with the provisions of
51 section 11-4a of the general statutes, to the Governor and the General
52 Assembly on the progress made toward achieving the benchmarks
53 established in the strategic master plan.

54 (b) In developing the strategic master plan, the Board of Governors
55 shall review the plans pursuant to sections 10a-6 and 10a-11 of the
56 general statutes, as amended by this act, and the report titled "New
57 England 2020: A Forecast of Educational Attainment and its
58 Implications for the Workforce of New England States" prepared by
59 the Nellie Mae Education Foundation. In addition, the board may
60 consider the following: (1) Establishing incentives for institutional
61 performance and productivity; (2) increasing financial aid incentive
62 programs, especially in workforce shortage areas and for minority
63 students; (3) working with the Department of Education to implement
64 mandatory college preparatory curricula in high schools and aligning
65 such curricula with curricula in institutions of higher education; (4)
66 seeking partnerships with the business community and public
67 institutions of higher education to serve the needs of workforce
68 retraining that may include bridge programs in which businesses work
69 directly with higher education institutions to move students into
70 identified workforce shortage areas; (5) establishing collaborative
71 partnerships between public high schools and institutions of higher
72 education; (6) implementing programs in high school to assist high
73 school students seeking a college track or alternative pathways for
74 post-secondary education, such as vocational and technical
75 opportunities; (7) developing policies to promote and measure
76 retention and graduation rates of students; (8) addressing the

77 educational needs of minority students and nontraditional students,
78 including, but not limited to, part-time students, incumbent workers,
79 adult learners, former inmates and immigrants, in order to increase
80 enrollment and retention in institutions of higher education; and (9)
81 addressing the affordability of tuition at institutions of higher
82 education and the issue of increased student indebtedness.

83 (c) Not later than January 1, 2011, the Board of Governors shall
84 submit a progress report concerning its development of the strategic
85 master plan to the Governor and the joint standing committees of the
86 General Assembly having cognizance of matters relating to higher
87 education and employment advancement, education, commerce, labor
88 and appropriations, in accordance with the provisions of section 11-4a
89 of the general statutes. Not later than January 1, 2012, the board shall
90 submit the strategic master plan, including specific goals and
91 benchmarks for the years ending 2015 and 2020, together with any
92 recommendations for appropriate legislation and funding to the
93 Governor and said joint standing committees, in accordance with the
94 provisions of section 11-4a of the general statutes.

95 (d) On or before January 1, 2013, and biennially thereafter, the Board
96 of Governors shall submit a report to the Governor and the joint
97 standing committees of the General Assembly having cognizance of
98 matters relating to higher education and employment advancement,
99 education, commerce, labor and appropriations, in accordance with the
100 provisions of section 11-4a of the general statutes, on the
101 implementation of the plan and progress made toward achieving the
102 goals specified in the plan.

103 Sec. 3. Section 10a-6 of the general statutes is repealed and the
104 following is substituted in lieu thereof (*Effective October 1, 2010*):

105 (a) The Board of Governors of Higher Education shall: (1) Establish
106 state-wide policy and guidelines for Connecticut's system of public
107 higher education; (2) develop a strategic master plan for higher
108 education and postsecondary education, consistent with the goals in
109 subsection (b) of this section; (3) establish state-wide tuition and

110 student fee policies; (4) establish state-wide student financial aid
111 policies; (5) monitor and evaluate institutional effectiveness and
112 viability in accordance with criteria established by the board; (6) merge
113 or close institutions in accordance with criteria established by the
114 board provided (A) such recommended merger or closing shall require
115 a two-thirds vote of the board, and (B) notice of such recommended
116 merger or closing shall be sent to the committee having cognizance
117 over matters relating to education and to the General Assembly; (7)
118 review and approve mission statements for the constituent units and
119 role and scope statements for the individual institutions and branches
120 thereof; (8) review and approve any recommendations for the
121 establishment of new academic programs submitted to the board by
122 the constituent unit boards of trustees, and, in consultation with the
123 affected constituent units, provide for the initiation, consolidation or
124 termination of academic programs. The Board of Governors of Higher
125 Education shall notify the board of trustees affected by the proposed
126 termination of an academic program. Within ninety days of receipt of
127 such notice, said trustees shall accept or reject the termination proposal
128 and shall notify the Board of Governors of Higher Education of its
129 action. If the termination proposal is rejected by the trustees, the Board
130 of Governors of Higher Education may override the rejection by a two-
131 thirds vote; (9) develop criteria to ensure acceptable quality in
132 programs and institutions and enforce standards through licensing
133 and accreditation; (10) prepare and present to the Governor and
134 General Assembly, in accordance with section 10a-8, consolidated
135 operating and capital expenditure budgets for public higher education
136 developed in accordance with the provisions of said section 10a-8 and
137 section 10a-9; (11) review and make recommendations on plans
138 received from the constituent unit boards of trustees for the continuing
139 development and maximum utilization of the state's public higher
140 education resources; (12) appoint advisory committees to assist in
141 defining and suggesting solutions for the problems and needs of
142 higher education; (13) establish an advisory council for higher
143 education with representatives from public and private institutions to
144 study methods and proposals for coordinating efforts of all such

145 institutions in providing a stimulating and enriched educational
146 environment for the citizens of the state, including measures to
147 improve educational opportunities through alternative and
148 nontraditional approaches such as external degrees and credit by
149 examination; (14) coordinate programs and services throughout public
150 higher education and between public and independent institutions,
151 including procedures to evaluate the impact on independent
152 institutions of higher education of proposals affecting public
153 institutions of higher education; (15) make or enter into contracts,
154 leases or other agreements in connection with its responsibilities under
155 this part, provided all acquisitions of real estate by lease or otherwise
156 shall be subject to the provisions of section 4b-23; (16) be responsible
157 for the care and maintenance of permanent records of institutions of
158 higher education dissolved after September 1, 1969; (17) prepare and
159 present to the Governor and General Assembly legislative proposals
160 affecting public higher education, including proposals which utilize
161 programs and facilities of independent institutions of higher
162 education; (18) develop and maintain a central higher education
163 information system and establish definitions and data requirements for
164 the state system of higher education; and (19) undertake such studies
165 and other activities as will best serve the higher educational interests
166 of the state.

167 (b) Within the limits of authorized expenditures, the policies of the
168 state system of higher education shall be consistent with the following
169 goals: (1) To ensure that no qualified person be denied the opportunity
170 for higher education on the basis of age, sex, ethnic background or
171 social, physical or economic condition, (2) to protect academic
172 freedom, (3) to provide opportunities for education and training
173 related to the economic, cultural and educational development of the
174 state, (4) to assure the fullest possible use of available resources in
175 public and private institutions of higher education, (5) to maintain
176 standards of quality ensuring a position of national leadership for state
177 institutions of higher education, (6) to [apply the resources of higher
178 education to the] respond to the needs and problems of society, [and]
179 (7) to foster flexibility in the policies and institutions of higher

180 education to enable the system to respond to changes in the economy,
181 society, technology and student interests, (8) to promote the economic
182 development of the state in order to help business and industry sustain
183 strong economic growth, (9) to ensure affordability of higher education
184 and efficient use of resources, and (10) to join with elementary and
185 secondary schools to improve teaching and learning at all levels. Said
186 board shall review recent studies of the need for higher education
187 services, with special attention to those completed pursuant to
188 legislative action, and to meet such needs shall initiate additional
189 programs or services through one or more of the constituent units.

190 (c) Repealed by P.A. 83-533, S. 53, 54.

191 (d) The board of governors shall request and receive, or be provided
192 electronic access to, data, reports and other information from the
193 constituent units of the state system of higher education that is
194 necessary for the board to carry out its responsibilities pursuant to this
195 section.

196 Sec. 4. Subsection (g) of section 10a-6b of the general statutes is
197 repealed and the following is substituted in lieu thereof (*Effective*
198 *October 1, 2010*):

199 (g) Each constituent unit of the state system of higher education
200 shall submit an accountability report to the Commissioner of Higher
201 Education annually, by January first. The report shall include
202 strategies to improve performance and achieve results on
203 accountability measures and unmet goals and funding estimates for
204 such strategies. The commissioner shall compile the reports and shall
205 submit, in accordance with section 11-4a, a consolidated accountability
206 report for the state system of higher education to the joint standing
207 committee of the General Assembly having cognizance of matters
208 relating to education, higher education and employment advancement,
209 and commerce annually, by February first. The report shall contain
210 accountability measures for each constituent unit and public
211 institution of higher education pursuant to subsections (a) and (b) of
212 this section. The report shall include updated baseline and peer

213 comparison data, performance improvement targets for each measure,
214 strategies to improve performance and achieve results on
215 accountability measures and unmet goals, funding estimates for such
216 strategies, and other information as determined by the commissioner.

217 Sec. 5. Section 10a-6a of the general statutes is amended by adding
218 subsection (c) as follows (*Effective July 1, 2010*):

219 (NEW) (c) On or before July 1, 2010, and every five years thereafter,
220 the council shall review the accountability measures developed
221 pursuant to subsection (b) of this section and determine their
222 continued validity or need for revision or elimination. Any proposed
223 revisions or eliminations shall be submitted to the Board of Governors
224 of Higher Education for approval. Upon approval by the Board of
225 Governors of Higher Education, the Commissioner of Higher
226 Education shall notify the joint standing committees of the General
227 Assembly having cognizance of the subject matter of such revision or
228 elimination and provide them with a brief explanation of the reason
229 for approval.

230 Sec. 6. (NEW) (*Effective October 1, 2010*) The Office of Workforce
231 Competitiveness, in consultation with the Connecticut Employment
232 and Training Commission, the Departments of Education, Higher
233 Education, Economic and Community Development and the Labor
234 Department, shall biennially submit to the Board of Governors of
235 Higher Education a report identifying the sectors or subsectors in
236 which career pathways should be established, the workforce skills
237 needed in those sectors or subsectors and the types of postsecondary
238 programs required to address the workforce needs in those sectors or
239 subsectors.

240 Sec. 7. (NEW) (*Effective October 1, 2010*) On or before January 1, 2011,
241 and annually thereafter, the Higher Education Coordinating Council,
242 in consultation with and using information developed by the Office of
243 Workforce Competitiveness, shall make recommendations to the Board
244 of Governors of Higher Education regarding (1) any postsecondary
245 certificate or degree programs required to address workforce

246 shortages, and (2) whether any existing postsecondary certificate or
 247 degree programs lack the capacity to address such shortages.

248 Sec. 8. Section 10a-11b of the general statutes is repealed. (*Effective*
 249 *from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	10-8b
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>October 1, 2010</i>	10a-6
Sec. 4	<i>October 1, 2010</i>	10a-6b(g)
Sec. 5	<i>July 1, 2010</i>	10a-6a
Sec. 6	<i>October 1, 2010</i>	New section
Sec. 7	<i>October 1, 2010</i>	New section
Sec. 8	<i>from passage</i>	Repealer section

PRI *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Higher Ed., Dept.	GF - Cost	50,000	0
Workforce Competitiveness, Off.	GF - Cost	15,000	15,375
Comptroller Misc. Accounts (Fringe Benefits)	GF - Cost	1,147	1,176

Note: GF=General Fund

Municipal Impact: None

Explanation

Sections 1, 3, 4, 5 and 8 result in no fiscal impact.

Section 2 of the bill requires the Department of Higher Education (DHE) to develop and implement a strategic master plan for higher education. This results in a cost of \$50,000 to DHE to hire a consultant to oversee and carryout the requirements contained in the strategic master plan. DHE currently does not have the staff available to develop and implement a strategic plan, as they lost approximately 20% of their staff to the Retirement Incentive Program and have not refilled positions.

Sections 6 and 7 of the bill requires the Office of Workforce Competitiveness (OWC) to hire a part-time employee for 10 hours a week with an estimated salary of \$15,000 in FY 11 and \$15,375 in FY 12, plus fringe benefits¹, to perform the research necessary for the reports and recommendations required by the bill.

¹ Employees working less than 10 hours a week are not eligible for most fringe benefits. The state must contribute 7.65% for FICA (Federal Insurance Compensation Act) for such employees.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, except for the costs associated with DHE, which are one-time in nature.

OLR Bill Analysis**sHB 5349*****AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING A STRATEGIC PLAN AND COORDINATION FOR ALIGNMENT OF POSTSECONDARY EDUCATION AND EMPLOYMENT.*****SUMMARY:**

This bill requires the Board of Governors of Higher Education (BOG) to develop and implement a strategic master plan for higher education. The plan must identify short- and long-term state goals for higher education and include benchmarks for achieving those goals by 2015 and 2020. The bill requires the board to submit reports on the implementation of the plan and progress made in achieving its benchmarks. It repeals a statute that had established a blue ribbon commission to develop this master plan because the commission never met.

The bill also requires the (1) state's constituent units of higher education to include results-based accountability measures in their annual accountability reports and (2) the Higher Education Coordinating Council to review the measures every five years to determine whether any measures need to be revised or eliminated.

Regarding workforce needs, the bill requires the council to make recommendations concerning the need for academic programs required to address a workforce shortage, and it requires the Office of Workforce Competitiveness (OWC) to make recommendations concerning career pathways. The bill also requires the Department of Education (DOE) to electronically distribute information on teacher shortage areas to all higher education institutions that offer teacher

preparation programs.

Lastly, the bill restates the goals of the state system of higher education.

EFFECTIVE DATE: October 1, 2010, except for the section on the strategic master plan, which is effective upon passage and the five-year review of accountability measures, which is effective July 1, 2010.

STRATEGIC MASTER PLAN

Under current law, the BOG is required to develop a master plan for higher education and postsecondary education. The bill specifies that the board is to develop a strategic master plan for higher education and includes certain reporting requirements and deadlines for the strategic master plan.

The bill eliminates a blue ribbon commission that was established to develop this master plan and transfers this responsibility to the board.

Requirements

The plan must (1) identify short- and long-term state goals for higher education, (2) include benchmarks for achieving those goals by 2015 and 2020, and (3) make recommendations for appropriate legislation and funding. The plan must be consistent with specific goals set in statute. Among other things, it must:

1. ensure nondiscrimination;
2. protect academic freedom;
3. provide opportunities for education related to the state's economic, cultural, and educational development;
4. use resources efficiently;
5. be a national leader in public higher education;
6. work to address society's problems; and

7. enable institutions to respond to changes in the economy, society, technology, and student interest.

In developing the plan, the board must review the BOG master plan for higher education and strategic plan for racial and ethnic diversity, and the Nellie Mae Foundation report, "New England 2020: A Forecast of Educational Attainment and its Implications for the Workforce of New England States." The board must also consult with the following parties or their designees:

1. the Higher Education Coordinating Council,
2. the labor commissioner,
3. the commissioner of economic and community development,
4. the OWC director,
5. the chairpersons and ranking members of the Higher Education and Commerce committees,
6. the chairperson of the board and president of the Connecticut Conference of Independent Colleges,
7. the president of the Connecticut Business and Industry Association, and
8. any other entities as determined by the BOG.

Factors for the Board to Consider

In producing the master plan, the board may consider:

1. establishing institutional performance and productivity incentives;
2. increasing financial aid incentive programs, particularly in workforce shortage areas and for minority students;
3. implementing mandatory college preparatory curricula in high

- schools and aligning them with postsecondary school curricula;
4. partnerships between (a) public higher education institutions and the business community to move students into workforce shortage areas and (b) public high schools and higher education institutions;
 5. implementing high school programs to assist students seeking higher education or an alternative path to post-secondary education, including vocational and technical opportunities;
 6. developing policies to promote and measure retention and graduation rates;
 7. addressing the educational needs and increasing the enrollment, retention, and graduation rates of minority and nontraditional students; and
 8. addressing tuition affordability and student indebtedness.

Reporting Requirements

The board must submit a progress report on the plan's development by January 1, 2011, and it must submit the strategic master plan by January 1, 2012. The plans must be submitted to the governor and the higher education, education, commerce, labor, and appropriations committees.

Biennially, beginning January 1, 2013, the bill also requires the board to submit a report on the plan's implementation and progress made in achieving its benchmarks. This report must be submitted to the governor and to the same committees as the strategic master plan.

Other Requirements

The bill also requires the board to:

1. examine the effect of demographics and workforce trends on higher education in the state;

2. address the challenges related to (a) increasing the number of state students earning bachelor's degrees, (b) increasing the number of young people entering the state's workforce, and (c) the disparity in achievement between minority and majority students;
3. examine higher education funding policies, including coordinating appropriations, tuition, and financial aid and maximizing federal and private grants; and
4. recommend ways in which the state's public higher education institutions can, consistent with their respective missions, expand their role in advancing the state's economic growth.

HIGHER EDUCATION GOALS

By law, the policies of the state system of higher education must be consistent with goals enumerated in statute. Under the bill, these goals must be part of the strategic master plan. The bill rephrases an existing goal and adds the goals of (1) promoting the state's economic development in order to help business and industry sustain strong economic growth, (2) ensuring affordability and efficient use of resources, and (3) joining with elementary and secondary schools to improve teaching and learning at all levels.

ACCOUNTABILITY

The bill specifies that each constituent unit's annual accountability report to the commissioner of higher education must include (1) strategies to improve performance on results-based accountability measures, (2) estimates on funding needed to achieve these strategies, and (3) unmet goals.

The bill requires these provisions to be included in the consolidated accountability report for the state system of higher education that is submitted annually by the commissioner. The bill requires the commissioner to submit this report to the higher education and commerce committees, not just the education committee.

The bill requires the Higher Education Coordinating Council to review accountability measures every five years to determine whether to revise or eliminate any of them. The first review must occur by July 1, 2010. Proposed revisions or eliminations must be approved by the BOG and if a revision or elimination is approved, the commissioner of higher education must notify the appropriate legislative committee and provide a brief explanation.

WORKFORCE NEEDS

The bill requires the Higher Education Coordinating Council annually to make recommendations to the BOG concerning (1) the need for any postsecondary degree or certificate program required to address a workforce shortage and (2) whether any existing programs lack the capacity to address such a shortage. The council must consult with and use information from the OWC. The first recommendations must be made by January 1, 2011.

The bill also requires the OWC, every two years, to identify the sectors or subsectors in which career pathways should be established, the workforce skills needed in those sectors or subsectors, and the types of postsecondary programs required to address the workforce needs in those sectors or subsectors. The OWC must (1) develop its report in consultation with the Connecticut Employment and Training Commission and the departments of Education, Higher Education, Economic and Community Development, and Labor and (2) submit it to the BOG.

The bill requires the DOE to electronically distribute information on teacher shortage areas for at least the previous five-year period. This information must be distributed annually, by January 1, to all higher education institutions in Connecticut that offer teacher preparation programs. By law, the commissioner of education must, by December 1, determine subject and geographic areas in which a teacher shortage exists.

COMMITTEE ACTION

Program Review and Investigations Committee

Joint Favorable Substitute

Yea 12 Nay 0 (03/11/2010)