

REGULAR MEETING
Wednesday, December 4, 2019, 3:10 p.m.
BARGE 412
Minutes

Meeting called to order at 3:11 p.m.

ROLL CALL All senators, or their alternates were present except: Timothy Beng, Julie Bonner, Peter Dittmer, Cynthia Mitchell, and Nelson Pichardo

Guests: Kevin Archer, Rose Brower-Spodobalski, Aaron Brown, Kandee Cleary, Gregg Heinselman, Jill Hernandez, Bernadette Junglbut, Ediz Kaykayoglu, Gail Mackin, Scott Robinson, Jeff Stinson, Joy Fuqua, Will Stryker, Eric Cheney, Becky Pearson and Gail Mackin.

CHANGES TO AND APPROVAL OF AGENDA Approved

MOTION NO. 19-08(Approved): APPROVAL OF MINUTES of November 6, 2019

COMMUNICATIONS – Strategic Plan update

FILM Reorganization proposal – Jill Hernandez – Dean Hernandez gave a brief overview of the process the college has gone through so far with the desire to move the FILM program from its current home in Communications to directly reporting to the Dean's office. In addition to getting feedback from the Faculty Senate they will be also receiving feedback from ADCO. This move will allow time to develop the program into a department. The Program Director will report to the Dean and NTT faculty will report to the Associate Dean. Course scheduling is finished for the year and the day-to-day would be handled by the Dean's Office staff. It is not common to have a film program in Communication Studies. At CWU it grew out the Communication program and was an interdisciplinary program, but it is now back under Communications. The program needs some help with administrative focus. This move will give Communications the potential to grow their program. This will also be a great opportunity for FILM to have strength of leadership and to think about their curriculum and personnel. Opportunity to build out a 3 – 5 year plan, which they currently don't have. Central is only one of two BA programs in film in the state.

Several Senators expressed concern about the timeframe and would like more time for faculty to comment on it.

Workforce Diversity – Kandee Cleary - PowerPoint. Email was sent out to campus. Critical to student success. Students are more success when they are exposed to a wide variety of people, experiences and ideas. Status report, goals and program. Limited progress, keep track to diversity numbers. More diverse in students than faculty and staff. BOT sees this as part of the sustainability. President goal has to increase 5% diverse faculty and staff. About 100 people. Developed a workforce diversity plan. Working on recruitment, hiring & retention. The goal was to create a workforce diversity plan, to build on successes and address opportunities to build a diverse workforce. Some of the areas they are looking at are: Job description, hiring checklists, search committees, inclusive advertising, proactive outreach, implicit bias, campus visits and cluster hiring. Retention is

where the plan is the weakest. Two workgroups (one faculty and one staff) that are working on retention issues. Recommendations will be out by the first of the year.

Where do we go from here? Kandee indicated they will continue to have feedback on the plan and move into the implementation phase. Working on test environment with the two work groups. Campus climate assessment is being done every four years. It was last done in 2018, and the next will be in 2023. They will use the same methods to increase and expand definition of diversity to include gender, LGBTQ+; first generation, and veterans.

Survey for feedback will also be sent out to Senators.

SENATE CHAIR REPORT – Chair Szeliga reported that last spring the Sexual Misconduct and Gender Taskforce reported their findings. The Executive Committee has gone through the report and composed letters to division leaders regarding the recommendations. The Provost search has progressed to Skype interviews and they hope to have candidates on campus in January. The Advising Council final report will be submitted by the end of the quarter.

FACULTY ISSUES – Chair Szeliga reported on the faculty issues from the last meeting. . The location of the printing kiosks was determined by the Student Tech Fee Council. They looked at where there was the most foot traffic. The cost was determined by WEPA. The contract will be up in June and will be reviewed by the Student Tech Fee Council. Gail Mackin indicated that it was determined to do kiosks to open up labs. Spam email system changes to be deployed soon. This change will effect outgoing email being marked as spam. Incoming email are often specific to a person and is best to contact the HELP desk.

Senator Pinkart indicated that last January there was a presentation from technology media services regarding updates on campus. They were going to replace technology in Black, then move to Science I and then through programs and buildings and order of age of equipment. Black was completed there were two rooms in Science I that were updated and that was it. Then it looks like there is no money to continue. Senator Pinkart asked if Science I updates will be completed?

Senator Portolese brought up the academic dishonesty policy. The policy refers people to the Student Conduct Code and student conduct code is a procedure or process. There should be more information on academic dishonesty, rather than just referring people to the Student Conduct Code.

Senator Keeper asked about getting a status report on the progress of adding zero cost textbook symbols to the registration process.

STUDENT REPORT – Will Stryker reported that the students have been voicing concern about the WEPA printing system as well. Focusing on that ASCWU does not have a centralized academic senate. They have been having some discussions on SEOIs. The Student Academic Senate would like to work on some pilot SEOI programs to get more completed as the current percentages are lower than what some would like.

OLD BUSINESS - None

REPORTS/ACTION ITEMS

SENATE COMMITTEES:

Executive Committee

Academic Affairs Committee

Motion No. 19-09(Referred back to Committee): Recommends amending CWUP 5-90-040(37) Syllabi as outlined in Exhibit A.

Concerns: Who is “you” and could these be changed to “they”. What does this mean to the faculty member in general? Who does the faculty need to report to? Need to have more specific information about what is shared and with whom. May be a bigger issue of what faculty know about their responsibilities of mandatory reporting. Concern about the number of items that faculty are to put on the syllabus. This is really important to students, but this language is very vague.

Motion No. 19-15(Approved): Amy moved to report this motion back to committee. McCutcheon seconded. Approved

Motion No. 19-10(Approved): Recommends amending CWUP 5-90-030(2) Acceptance of Transfer Credit and CWUR 2-90-020(3) Undergraduate Admission as outlined in Exhibit B.

Motion No. 19-11(Approved as amended): Recommends amending CWUP 5-90-040(25) & (26) and CWUR 2-90-040(25) & (26) Incompletes as outlined in Exhibit C.

Motion No 19-11a(Approved): Senator Binder moved to remove the words “the first”. Seconded.

Motion No. 19-11b(Approved, 3 nay): Senator Feeney moved to strike the last sentence. Seconded.

Budget and Planning Committee – Eric Cheney reported on issues the committee is working on. One subcommittee is working on survey results from 2017, 2018, 2019. The survey was on impacts of budgeting on students, teaching and pedagogy. Hope to have the information out in early winter quarter. Another subcommittee is focusing on strategic goals, increasing students over the next 5 years and how that impacts teaching. The committee will be meeting with the Provost tomorrow to talk about budgeting issues in relation to teaching.

Bylaws and Faculty Code Committee - Jason reported the committee will have a rewrite of the Faculty Code in winter quarter. The committee is still in need of another member of the committee. Meetings are listed as Tuesday on the website but they are now meeting every other Monday from 3-5.

Curriculum Committee

Motion No. 19-12(Approved): Recommends approval of a new Bachelor of Arts in Deaf and Sign Language Studies as outlined in Exhibit D.

Motion No. 19-13(Approved): Recommends approval of a new Bachelor of Arts in Visual Art Teaching and to be over the 75 credit limit as outlined in Exhibit E.

Motion No. 19-14(Approved): Recommends approval of a new minor and certificate in Digital Marketing as outlined in Exhibit F. Focused in digital marketing. Interdisciplinary of the program is helpful to marketing students. One of its kind in marketing.

General Education Committee - Becky reported that the committee is working on finalizing the review of course proposals to be included in the General Education program change. They are in the final stages communicating with faculty on needs for more information. Next Monday The GE Curriculum and Assessment subcommittee will be having a long meeting and holding any needed conversations on Holds or getting additional information on proposals. The committee will be tentatively approving courses until Senate approves the program change during winter quarter. The committee is reviewing student petitions each week. As the committee is reviewing the student petitions, they are making rules for some courses so the Registrar can set them to be approved without a petition. There are a number of new Culminating Experience proposals in pipeline. The committee is allowing students to petition to have a CE course potentially count in 19-20 even though it will not be a standard course until 20-21. Becky indicated that last year it was made fairly clear to students about the risks of switching to the new GE program that didn't have an approved CE course. UNIV 400 will have two sections this winter. Academic Writing II (AWII) proposals need to carry the pre-req of Academic Writing I (AWI). The GE committee will be following up with departments for any course that currently doesn't have an appropriate pre-req. Becky reminded Senators that the 184 courses has a cap of 20 students and would like to make sure that is adhered to as it is in the GE rules that was passed by Faculty Senate. The committee received several program and structural change proposals. One was a request and not really a structural change to move quickly on articulations. The committee is moving as fast as they can. Second was a request to revisit the rule of only two courses per department/interdisciplinary program. The proposer would like it to be changed to prefix instead of department. Becky reported that they will be assessing four components this year: First Year Experience - 184, Academic Writing II (AWII), Community, Culture & Citizenship (CCC) and Physical & Natural World (PNW). A rubric is being asked to be used for the 184 sections. PNW rubric was developed this quarter and will be in canvas soon as a pilot. AWII and CCC are being designed and discussed. Long mini day and a set of shorter meetings to continue the work in January. February will have new or revised tools for all four of the cover sheets for faculty teaching in the four components. Faculty will upload documents into a SharePoint folder with limited access.

Pathway coordinators have drafted a brief Qualtrics survey that will be sent out soon.

M. O'Brien reported that the GE Coordination and Management subcommittee is working on their charges. One of the charges was to look at title of First Year Experience component and course as there is a little bit of confusion. The title for 184 course is First Year Experience and is not really appealing. The subcommittee is recommending renaming the course to PADstone which stands for practice and discovery. Students would start with a PADstone and end with a capstone. The committee would like to receive feedback.

Faculty Legislative Representative See written report.

PRESIDENT – President Gaudino indicated that the Provost search is progressing. The committee started with 80 candidates with the help of search consultant. The committee has agreed on the candidates to move to zoom interviews starting next week. They have selected eight candidates, but one has withdrawn. The search committee should finish zoom interviews next week. They will select candidates for airport interviews. Then hopefully by end of January will have candidates on campus. President Gaudino reported that Kathryn Frank has received a position at University of Wisconsin – Stout as Chancellor.

PROVOST – Provost Franken thanked the Curriculum Committee for the wonderful new programs that were just approved. Central is paying attention to the market and student needs as well as working across disciplines and colleges. The Provost reported that divisions are working on strategic plan initiatives.

CHAIR-ELECT: Chair-Elect Delgado reported there will be an open Executive Committee meeting next Wednesday at 3:10 p.m. in the Grupe Faculty Center.

NEW BUSINESS

Meeting was adjourned at 5:00 pm

Exhibit A

Policy & Procedure Number: CWUP 5-90-040-37

New Revision X

Title: Additions to CWU Policy on Syllabi

Summary: This change is being made in order to bring CWU Policy into compliance with recent changes to state law and recommendations from the Sexual Misconduct Task Force. Under this change, faculty will be required to include information about CWU's policy on sexual misconduct in their syllabi.

5-90-40 (37): Syllabi

(A) By choosing to enroll in a course, students are obliged to accept and follow the stipulations and standards of performance and conduct formulated in the syllabus. Syllabi function to ensure that instructors maintain their courses in good order and take actions against those who disrupt the learning environment. Instructors will provide each student with a written or electronic syllabus at the beginning of a course. The syllabus must contain the following information:

1. Title, time, and location of the course;
2. Name, contact information, and office hours of instructor;
3. Objectives of course, expected student learning outcomes and method of assessment;
4. Any special conditions or requirements associated with the course (e.g. hybrid instruction, field trips);
5. Required books and materials;
6. Criteria for determinance of final grade;
7. Instructor's policy on students' attendance and absence;
8. Tentative dates for major assignments and examinations;
9. Instructor's policy on late work, make-up, extra credit, and other issues unique to the class.
10. Instructor's policy on academic dishonesty. It is recommended that reference be made to [CWUP 5-90-040\(22\)](#) and [CWUR 2-90-040\(22\)](#).
11. Instructor's policy on student conduct. It is recommended that reference be made to the policy on expectations of student conduct in the Washington Administrative Code (see [WAC 106-125-020](#)). Any expectations that go beyond what is stated in WAC 106-125-020 should be included in the syllabus.
12. A statement consistent with the university's commitment to diversity, such as:
"CWU expects every member of the university community to contribute to an inclusive and respectful culture for all in its classrooms, work environments, and at campus events."
13. A disability statement, such as:
Central Washington University is committed to creating a learning environment that meets the needs of its diverse student body. If you anticipate or experience any obstacles to learning, contact Disability Services to discuss a range of available options. Student Disability Services is located in Hogue 126. Call (509) 963-2214 or email ds@cwu.edu for more information.
14. [Religious Holiday Statement, pending approval]

15. A statement consistent with the university's position on sexual misconduct, clarifying the instructor's role as a mandatory reporter, and providing information about confidential reporting, such as:

Central Washington University is committed to providing all community members with a learning and work environment that is free from sexual harassment and assault. Students have options for getting help if you have experienced sexual assault, relationship violence, sexual harassment, or stalking. Information can be found at <http://www.cwu.edu/wecare> and in CWUP 2-35-050: Sexual Harassment. Faculty are required to share information regarding sexual misconduct or information about a crime that may have occurred while you are a student at CWU.

Students may speak to someone confidentially by contacting the CWU Wellness Center, 509-963-3213, or the CWU Student Counseling Clinic, 509-963-1391.

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CWUR 2-90-020 – Undergraduate Admission

(3) Transfer Applicants

(A) Applicants who have earned the Direct Transfer Agreement (DTA) degree from an accredited Washington State community college (or approved out-of-state associate degree) will receive priority consideration for admission.

(B) Transfer applicants with an associate degree from an accredited community college (as delineated in the DTA) will have fulfilled the general education requirements and the foreign language graduation requirements (CWUP 5-90-040(6)).

~~(C) Students with an associate degree seeking the Bachelor of Arts degree must also complete one year of college/university study of a single foreign language or two years of high school study of a single foreign language as a University graduation requirement (see CWUP 5-90-050(4)).~~

~~(D)~~ Transfer applicants without an associate degree must satisfy the foreign language admission graduation requirement prior to completing a total of 135 credits.

CWUP 5-90-030 – Acceptance of Transfer Credit

(2) Transfer Credit from Four-Year Institutions

(A) A student may transfer no more than 135 credits, including a maximum of 105 lower division credits to be applied to the 180-credit minimum toward graduation.

(B) Students who transfer from a regionally-accredited four-year institution after completing the general education at their prior four-year institution, will not be required to complete the CWU general education ~~or foreign language requirements~~. Students must submit evidence of prior general education completion to registrar services upon admission.

Exhibit C

Policy & Procedure Number: CWUP 5-90-040(25)
CWUP 5-90-040(26)
CWUR 2-90-040(25)
CWUR 2-90-040(26)

New **Revision X**

Title: CWUP 5-90-040(25) – Incompletes
CWUP 5-90-040(26) – In Progress
CWUR 2-90-040(25) – Incompletes
CWUR 2-90-040(26) – In Progress

Summary: These policy and procedure revisions clarify the definitions of the Incomplete and In-Progress grades with reference to their bearing on financial aid. The changes standardize definitions across policy areas in order to ensure that students who receive I and IP grades continue to be eligible for financial aid.

*[XX/XX/2019: Responsibility: **Faculty Senate**; Authority: Provost/VP for Academic & Student Life; Reviewed/Endorsed by: Cabinet/UPAC; Review/Effective Date: xx/xx/2019; Approved by: President]*

CWUP 5-90-040

(25) Incompletes

(A) "I" is used **at the instructor's discretion** when the student was not able to complete the course by the end of the term, but had earned a passing grade for the first 70% of the class and can be expected to finish without having to re-enroll in the course. For the purpose of this policy, 70% of the course is equivalent to the "Uncontested Withdrawal" date set by Registrar Services.

(B) If the work is not completed within one (1) calendar year from the last date of the quarter in which the "I" was received, Registrar Services will automatically convert the "I" to an "F."

(26) In Progress (IP)

(A) For undergraduate students, "IP" is used when the student was participating in the course, but not able to be evaluated by the end of the term, usually because instruction is not yet completed. "IP" is used for special circumstances within programs such as Flight Technology, International Studies, and Cooperative Education.

(B) For graduate students, "IP" is used for thesis, project study, and organization development courses that normally extend beyond a single term.

(C) If a grade is not submitted to Registrar Services within one calendar year, the "IP" will automatically be changed to "F" by Registrar Services.

CWUR 2-90-040

(25) Incompletes

(A) To submit an incomplete grade, the instructor must submit a grade of "I" on the MyCWU grade roster.

(B) The instructor will designate what the student must do to complete the course. The instructor will inform the department chair of the incomplete, the work that remains to be done, and the deadline for satisfactorily completing that work.

(C) In cases where the instructor has requested a specific completion date earlier than one year, if the work is not completed by the date which was communicated to the student and the chair, then the instructor should submit the change of grade form to convert the "I" to an appropriately earned grade..

(D) When a student satisfactorily completes the prescribed work within the indicated period, the instructor must file a Change of Grade form by the end of the quarter in which the work was completed.

(E) Students may not re-register for a course in which they receive a grade of incomplete.

(F) If, due to extenuating circumstances, the work cannot be completed within one calendar year from the last day of the quarter in which the “I” was received, the instructor will notify Registrar Services of the new agreed upon completion date as soon as possible.

(26) In Progress (IP)

(A) Courses for which an “IP” grade is intended must be submitted to and approved by the Registrar.

(B) A letter grade is issued when the course is completed (preferably before the end of the subsequent term) and recorded by Registrar Services, upon receipt of the Change of Grade form submitted by the instructor.

(C) The instructor may request an extension from Registrar Services, *if, due to extenuating circumstances, the work cannot be completed within one calendar year from the last day of the quarter in which the “IP” was received.*

Exhibit D

Deaf and Sign Language Studies, BA

Required Courses Credits: 45

ASL 251 Second-year American Sign Language (5)
ASL 252 Second-year American Sign Language (5)
ASL 253 Second-year American Sign Language (5)
ASL 301 Deaf Literature (5)
ASL 310 Deaf Culture and Community (5)
ASL 315 Experiences in the Deaf Community (5)
ASL 405 Sign Language Structure and Usage (5)
ASL 410 Deaf Culture, Sign Languages, and Media (5)
ASL 415 Current Issues in the Deaf World (5)

Elective Credits: 4-5

Take one of the following:

ANTH 382 Descriptive Linguistics (4)
ASP 305 Accessibility and User Experience (4)
ASP 435 Accessible Information Design (5)
SOC 365 Minority Groups (5)
OR
WGSS 326 Intersections of Gender, Race, Class, and Sexualities (5)

Total Credits: 49-50

Exhibit E

Visual Art Teaching Major, BA

Art and Design Core Courses (26 credits)

ART 150 Introduction to Drawing (3)
ART 170 Two-Dimensional Design (3)
ART 171 Three-Dimensional Design (3)
ART 172 Computer Fundamentals in Art and Design (3)
ART 235 Ancient and Medieval Art (3)
ART 236 Renaissance through Mid-19th-century Art (3)
ART 237 Impressionism through Postmodernism (3)
ART 250 Figure Drawing (3)
ART 495 Studio Project (2)

Art History (4 credits)

Select one course

ART 324 History of Photography (4)
ART 333 Art, Design, and Popular Culture (4)
ART 374 History of Graphic Design (4)
ART 414 Recent Art (4)
ART 416 International Experience in Art, Architecture, and Design (1-4)
ART 420 American Art and Architecture (4)

Lower Division Studio Arts (16 credits)

Select four courses

ART 225 Beginning Photography (4)
ART 241 Beginning Wood Design (4)
ART 246 Beginning Jewelry/ Metals (4)
ART 260 Beginning Painting (4)
ART 265 Beginning Ceramics (4)
ART 280 Beginning Sculpture (4)

Upper Division Studio Courses (20 credits)

Select five courses

ART 325A Intermediate Photography: Color (4)
ART 325B Intermediate Photography: Analog Processes (4)
ART 325C Intermediate Photography: Visual Narratives (4)
ART 341 Intermediate Wood Design (4)
ART 346A Intermediate Jewelry/Metals: Casting and Link Structures (4)
ART 346B Intermediate Jewelry/Metals: Enameling (4)
ART 346C Intermediate Jewelry/Metals: Form and Surface (4)
ART 360A Intermediate Painting: Narrative and Representation (4)
ART 360B Intermediate Painting: Color (4)
ART 360C Intermediate Painting: Abstraction (4)
ART 365A Intermediate Ceramics: Hand-Building (4)
ART 365B Intermediate Ceramics: Wheel-Throwing (4)
ART 365C Intermediate Ceramics: Mold-Making (4)
ART 380A Intermediate Sculpture: Object and Form (4)
ART 380B Intermediate Sculpture: Installation Art (4)

Visual Art Teaching Courses (16 credits)

ART 330 Art in the Elementary School (4)
ART 332 Art Curriculum and Field Experience (4)
ART 430 Components of Art Education (4)
ART 432 Art in Secondary School (4)

Total Credits: 82

Exhibit F

Digital marketing Minor & Certificate

Required Courses Credits:15

MKT 360 Principles of Marketing (5)
OR
MKT 362 Essential Marketing Concepts (5)
(MKT 360 is for Non Business Majors; MKT 362 is for College of Business Majors)
MKT 376 Foundations of Digital Marketing (5)
MKT 476 Advanced Digital Marketing (5)

Elective Courses Credits: 10

ART 172 Computer Fundamentals in Art and Design (3)
ART 274 Beginning Typography (4)
COM 222 Media Literacy in the Digital Age (5)
COM 303 Online and Social Media Strategies (5)
COM 388 Advertising Planning (4)
CS 109 Quantitative Reasoning Using Python (4)
CS 351 Web Development Technologies II (4)
CS 446 User Interface Design and Development (4)
ECON 406 Business Analytics (5)
FILM 217 Basic Editing: Final Cut Pro (1)
FILM 218 Basic Editing: Premiere (1)
MGT 289 Business Plan Development (3)
MKT 364 Marketing Promotion Management (5)
MKT 490 Marketing Internship (1-12)
MKT 493 Marketing Boot Camp (1-6)
WINE 304 Wine Marketing and Branding (4)
WINE 332 Social Media Theory and Practice (4)
HTE 351 Online and App Strategies for THE (4)

Total Credits: 25

Communication



Strategic Planning Update & Enhancement Project Values:

- Commitment to core theme (goal) achievement and mission fulfillment
- Cross-divisional collaboration
- Participation by university community

Project Update December 2019: Strategic Planning Update & Enhancement

Project Update: Strategic Planning Update & Enhancement

Sponsored by President Gaudino, Central Washington University is updating and enhancing university-wide and divisional strategic planning. This work began in Summer 2019 and is scheduled to conclude in Summer 2020. Core project team members include Bernadette Jungblut, Jill Scott, Gene Shoda, and Nichol Hibbard.

The goals are:

- Involve the university community in the review of the mission, core themes (goals), and development of the divisional and university strategic plans.
- Collect, update, and align all appropriate strategic and operational plans to the new University Strategic Plan.
- Develop measures to track intermediate and end-state core theme (goal) achievement and mission fulfillment.
- Implement a digital interface to document and track progress toward goals.

A strategic planning model has been defined and shared with divisional leadership; divisional plans are being finalized. Information Services is partnering with the project team to draft a digital interface to allow university employees to view strategic plans, enter updates, and track progress toward mission fulfillment and core theme (goal) achievement.

Since Fall 2018, numerous open forums and focus groups have been held to solicit input about CWU's mission and core themes. To ensure that all members of our university community have the opportunity to share their views about CWU's mission and core themes, open forums and focus groups will continue through Spring 2020, and a series of surveys will be conducted. The first survey of University faculty and staff will launch in early December.

As work progresses, the project team continues to provide updates. Weekly Status Reports are available on the Project Management Office SharePoint site.

For additional information, please contact any member of the project team.

Project Communication

Written report



LEARN. DO. LIVE.

TO: Faculty Senate
FROM: Bret Smith, Faculty Legislative Representative
DATE: December 4, 2019
RE: Faculty Legislative Representative update

Dear colleagues,

As the Legislative session nears, the Council of Faculty has been keeping busy by conferring on various issues and developing our agenda for the year. I'll be able to provide a more detailed update in my next report.

Various policy committees traditionally meet in November during Committee Days. I was not able to attend, but as always committee materials are available on leg.wa.gov. Here is the link to the [House](#) College and Workforce Development and [Senate](#) Higher Education and Workforce Development committee agendas. TVW.org archives video, searchable at <https://www.tvw.org/archives>.

The House committee held a work session on "Administrative Costs in Higher Education." Presenters included staff of the Legislative Audit and Accountability (LEAP) on (Higher Education Salary and Staffing History) and Paul Francis from Council of Presidents (Administrative Costs in Higher Education). Both presentations drew from longitudinal data and highlighted the differences between now and a couple of decades ago in terms of programs, locations, disciplines, student representation, etc.

The Senate committee heard from representatives from the Lumina Foundation, the Center for Responsible Lending, and Colorado Mountain College on the topic of Income Share Agreements (ISAs) which are growing in popularity nationally. ISAs work thus: "In exchange for a specific amount of funds to cover tuition and/or other costs of attendance, a student agrees to pay certain percentage of their future income over a fixed period of time." This is a complex issue at the intersection of affordability, equity, and the realities of the financial industry and its regulatory apparatus.

As we learned at the COF retreat, we expect some rough spots in the road ahead for E2SHB 2158, that raised the B&O tax on certain businesses to fund higher education. The surcharges include 20% on businesses "primarily engaged" in one of 43 categories, a 33.3% surcharge on "advanced computing businesses" between \$25-100 billion gross revenue, and a 66.6%

surcharge on such businesses over \$100 billion worldwide (think Microsoft, etc.). The computing business surcharges have a floor and cap.

The Senate committee heard from a representative of the Department of Revenue about progress in implementing this bill. Briefly, appropriated expenditures are expected to lag tax revenue in the 19-21 biennium by \$22.75 million. Not good news. In addition, the language of the bill (for example, defining “primarily engaged,” use of “other” 27 times) and other concerns (complexity, economic neutrality, equity, and reliability) permit the prediction of numerous disputes.

The Business Advisory Council offered the following options for consideration to the Director of the Department of Revenue:

- Raise service rate on all.
- Raise service rate with exclusions.
- Raise royalty rate.
- Eliminate the advanced computing \$4 million floor.
- Put a ceiling on the 20% surcharge.
- Add an income threshold – if over, taxpayer pays surcharge.
- Eliminate broad rule of construction in favor of tax.
- Get rid of 43 categories.
- Raise Small Business Credit.
- Make changes revenue-neutral.
- Make changes retroactive.
- To impose the advanced computing surcharge, require the primary activity of the affiliate group to meet the definition instead of one entity within the affiliated group.
- Impose a surcharge on all B&O tax classifications.
- Change caps for advanced computing.
- Clarify whether calculating “primarily engaged” includes just Washington income or worldwide income.
- More precise definition of “advanced computing.”

Given that Advisory Vote 24 (“The legislature imposed, without a vote of the people, an additional service and other business and occupation tax for certain specified business activities, costing \$2,253,000,000 in its first ten years, for government spending”) received a 62.6% “repeal” vote, it is fair to expect that this bill will be the topic of much discussion in the context of the supplemental budget. Based on my reading of legislators’ newsletters, the Republican caucus has been hearing from constituents and doing their own polling. Their dissatisfaction with the late-session process in passing this bill will only add to the interest in some sort of action.

My feeling is that we would like to see the dedicated funding for higher education to stay, and strongly support whatever fixes to the revenue source are most sustainable.

Please feel free to call (1548) or email (Bret.Smith@cwu.edu) with questions or comments. It’s an honor to represent you.

Bret