H-1573.2			

HOUSE BILL 2098

State of Washington

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61st Legislature

2009 Regular Session

By Representative Anderson

AN ACT Relating to creating a single need-based financial aid program with completion and job placement incentives; adding new sections to chapter 28B.92 RCW; creating a new section; and providing an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. The legislature finds that the primary goal of providing student financial assistance is to assure that students succeed in school, graduate, and find employment. Public subsidy of educational costs is intended not only to provide private benefit, but also to serve the public interest by elevating Washington citizens to education completion and career placement. The state's investment in student aid falls short if the goal of career placement is not reached.

It is therefore the intent of the legislature to provide per student incentives to institutions of higher education to increase the number of financial aid recipients who graduate and achieve career placement, preferably in high-demand jobs. Institutions that efficiently produce highly skilled graduates, ready for work in high-demand occupations, should be awarded additional resources to assist in meeting state goals.

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NEW SECTION. Sec. 2. A new section is added to chapter 28B.92 RCW to read as follows:

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- (1) Eligibility for the state need grant shall be reduced to include students with family incomes at or below fifty percent of the state median family income, adjusted for family size.
- (2) Within overall appropriations for the state need grant and in addition to other procedures established by the board for award of grants under this chapter, the maximum award amount is provided for persons whose family income is at or below fifty percent of the Washington state median family income, adjusted for family size. The award shall be prorated if the credit load is less than full time.
- NEW SECTION. Sec. 3. A new section is added to chapter 28B.92 RCW to read as follows:
 - (1) Institutions of higher education that participate in the state need grant program are eligible for institutional incentive grants for tracking and improving student achievement.
 - (2) The board, in partnership with business, labor, the state board for community and technical colleges, and the workforce training and education coordinating board, shall:
 - (a) Identify high-demand occupations, which are occupations where data show that employer demand for workers exceeds the supply of qualified job applicants throughout the state or in a specific region, and where training capacity is underutilized;
 - (b) Identify each high-demand occupation by corresponding north American industry classification system (NAICS) or standard industrial classification (SIC) codes; and
 - (c) Distribute the list of high-demand occupations to all institutions participating in the state need grant program by January 1, 2010, and every even-numbered year thereafter. The board shall update the list of high-demand occupations every even-numbered year, in cooperation with the entities named in this subsection.
- (3)(a) Each institution and the state board for community and technical colleges on behalf of each of its colleges, shall report to the board by December 15, 2010, and annually thereafter, the number of graduates placed in the high-demand occupations, as identified by the board in subsection (2)(a) of this section.

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- (b) Each institution and the state board for community and technical colleges shall enter into any necessary data-sharing agreements to facilitate the reporting in (a) of this subsection.
 - (c) Placements in high-demand fields shall be reported as follows:
- (i) Placement data for students graduating in the 2008-09 academic year shall be reported to the board by December 15, 2010, and annually thereafter for a three-year period;
- (ii) Placement data for graduates in subsequent academic years shall be reported using the same reporting deadlines as were specified for graduates of the 2008-09 academic year, adjusting the reporting deadlines back one year. Reporting of placement data for students graduating during the 2009-10 academic year are due December 15, 2011, and yearly thereafter through December 15, 2013.
- (d) Each institution that reports high-demand placement data before the deadline shall receive an incentive award for each student placed in a high-demand occupation during the reporting period. Each graduate placed in a high-demand occupation may be counted only once during the three-year reporting period for purposes of receiving the incentive award. The award amount shall be determined and distributed by the board on an annual basis.
- (4) Each institution and the state board for community and technical colleges on behalf of each of its colleges, shall report to the board by December 15, 2010, and annually thereafter, the number of completions in the following categories:
 - (a) Degrees and certificates awarded;

- (b) Degrees and certificates awarded in high-demand areas, as determined by each institution and the state board for community and technical colleges in close collaboration with the higher education coordinating board; and
- (c) Degrees awarded within one hundred twenty-five percent of required credits for a single major.
- (5) Each institution that reports completion data before the deadline shall receive an incentive grant for each student completion. Institutions may not report more than one completion per student. The award amount shall be determined and distributed by the board on an annual basis.
 - (6) Job placement and completion data shall be reported only for

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- 1 students who have received a state need grant, including students who
- 2 no longer receive state need grants at the time of graduation, but
- 3 previously did.
- 4 (7) The board shall adopt necessary rules governing program
- 5 creation and implementation.
- 6 <u>NEW SECTION.</u> **Sec. 4.** This act takes effect August 1, 2009.

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