

2 **2SHB 1851** - S COMM AMD
3 By Committee on Higher Education

4

5 Strike everything after the enacting clause and insert the
6 following:

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.10
8 RCW to read as follows:

9 The legislature finds that state funded financial aid programs need
10 to be restructured and better funded. The legislature also finds that:

11 (1) In most circumstances, need grant eligibility should not extend
12 beyond one hundred twenty-five percent of the published length of the
13 program in which the student is enrolled or the credit or clock-hour
14 equivalent;

15 (2) A student who completes program requirements to obtain a
16 baccalaureate degree in fewer than four years is eligible to receive
17 the state need grant for a full four years of attendance in a state
18 institution of higher education;

19 (3) The higher education coordinating board should enhance its
20 financial aid information outreach program. The board should make a
21 special effort to provide information to the parents of students in
22 middle school and junior high school;

23 (4) State financial aid programs should continue to adhere to the
24 principle that funding follows resident students to their choice of
25 institution of higher education; and

26 (5) The educational opportunity grant program should be expanded to
27 include needy upper division students from any area of the state.

28 NEW SECTION. **Sec. 2.** In cooperation with students, student aid
29 administrators, employers, public and private institutions of higher
30 education, private career schools and colleges, and other interested
31 parties, the higher education coordinating board shall continue to
32 evaluate and refine the recommendations of its 1995-96 financial aid
33 task force. As part of its effort, for the purpose of determining need
34 grant eligibility, the board shall consult experts to establish a
35 method of evaluating family income that, as accurately as possible,

1 reflects the student's and his or her family's ability to pay college
2 expenses. When evaluating ability to pay, the higher education
3 coordinating board shall take into account factors that include, but
4 need not be limited to: All sources of gift aid, employment, income,
5 and living assistance available to students and their families. The
6 higher education coordinating board shall also consider several
7 different methods for determining need grant amounts based on tuition
8 and fees. The methods shall include, but need not be limited to:
9 Tuition and fees at public colleges and universities; the provision of
10 similar grant amounts to all lower division students and to all upper
11 division undergraduate students, regardless of institution attended;
12 and the provision of enhanced grant amounts to upper division students
13 who must relocate to obtain their baccalaureate degrees. When modeling
14 different methods, in one of the models the board shall assume that the
15 program will continue to serve at least as many students as were served
16 in the 1996-97 academic year without assuming any new funding will be
17 added to the program. In its study, the board may consider other
18 financial aid concerns of students, employers, aid administrators,
19 institutions of higher education, and private career schools and
20 colleges. By December 20, 1997, the board shall report its findings
21 and recommendations to the governor, the house of representatives and
22 senate committees on higher education, and other interested parties.
23 The board also will gather and analyze information on the extent to
24 which financial aid recipients are enrolled in precollege and
25 developmental courses, and will report the information to the house of
26 representatives and senate committees on higher education.

27 **Sec. 3.** RCW 28B.10.800 and 1993 sp.s. c 18 s 2 are each amended to
28 read as follows:

29 The ~~((sole))~~ purposes of RCW 28B.10.800 through 28B.10.824 ~~((is))~~
30 are to establish the principles upon which the state financial aid
31 programs will be based and to establish a state of Washington ~~((student~~
32 ~~financial aid))~~ need grant program, thus assisting financially needy or
33 disadvantaged students domiciled in Washington to obtain the
34 opportunity of attending an accredited institution of higher education,
35 as defined in RCW 28B.10.802(1). ~~((Financial aid))~~ Need grants under
36 RCW 28B.10.800 through 28B.10.824 ~~((is))~~ are available only to students
37 who are resident students as defined in RCW 28B.15.012(2) (a) through
38 (d).

1 **Sec. 4.** RCW 28B.10.802 and 1989 c 254 s 2 are each amended to read
2 as follows:

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

4 (1) "Institutions of higher education" shall mean (~~((1))~~) (a) any
5 public university, college, community college, or vocational-technical
6 institute operated by the state of Washington or any political
7 subdivision thereof or (~~((2))~~) (b) any other university, college,
8 school, or institute in the state of Washington offering instruction
9 beyond the high school level (~~(which)~~) that is a member institution of
10 an accrediting association recognized by rule of the board for the
11 purposes of this section: PROVIDED, That any institution, branch,
12 extension or facility operating within the state of Washington which is
13 affiliated with an institution operating in another state must be a
14 separately accredited member institution of any such accrediting
15 association: PROVIDED FURTHER, That no institution of higher education
16 shall be eligible to participate in (~~((a student financial aid))~~) the
17 state need grant program unless it agrees to and complies with program
18 rules and regulations adopted pursuant to RCW 28B.10.822.

19 (2) The term "financial aid" shall mean (~~((loans and/or))~~) grants
20 (~~((to))~~) and work study for needy students enrolled or accepted for
21 enrollment as (~~((a))~~) students at institutions of higher education.

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

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

35 (5) "Commission" or "board" shall mean the higher education
36 coordinating board.

37 **Sec. 5.** RCW 28B.10.804 and 1995 c 269 s 801 are each amended to
38 read as follows:

1 The ((~~commission~~)) board shall be cognizant of the following
2 guidelines in the performance of its duties:

3 (1) The ((~~commission~~)) board shall be research oriented, not only
4 at its inception but continually through its existence.

5 (2) The ((~~commission~~)) board shall coordinate all existing programs
6 of financial aid except those specifically dedicated to a particular
7 institution by the donor.

8 (3) The ((~~commission~~)) board shall take the initiative and
9 responsibility for coordinating all federal student financial aid
10 programs to insure that the state recognizes the maximum potential
11 effect of these programs, and shall design the state program which
12 complements existing federal, state and institutional programs. In its
13 program design, the board shall ensure that the state program continues
14 to follow the principle that state financial aid funding follows the
15 student to the student's choice of institution of higher education.

16 (4) Counseling is a paramount function of the state need grant and
17 other state student financial aid programs, and in most cases could
18 only be properly implemented at the institutional levels; therefore,
19 state student financial aid programs shall be concerned with the
20 attainment of those goals which, in the judgment of the ((~~commission~~))
21 board, are the reasons for the existence of a student financial aid
22 program, and not solely with administration of the program on an
23 individual basis.

24 (5) The board shall develop, distribute, and deliver information
25 about financial aid opportunities and requirements to persons and
26 organizations that include, but need not be limited to: Students,
27 parents, common schools, institutions of higher education, public
28 libraries, community-based organizations, and other organizations and
29 facilities that serve parents, students, and potential students. The
30 distribution of information may occur through a variety of means
31 including a toll-free hotline and the internet. A special outreach
32 effort shall be targeted toward parents of students in the sixth
33 through ninth grades. This outreach program shall include information
34 about the performance requirements necessary for college entrance as
35 well as the financial need requirements of state financial aid
36 programs. The board shall work cooperatively with the superintendent
37 of public instruction, the state board of education, the common
38 schools, institutions of higher education, and other interested parties

1 to design, distribute, and deliver financial aid information for the
2 special outreach effort.

3 (6) The "package" approach of combining loans, grants and
4 employment for student financial aid shall be the conceptional element
5 of the state's involvement.

6 **Sec. 6.** RCW 28B.10.806 and 1989 c 254 s 3 are each amended to read
7 as follows:

8 The (~~commission~~) board shall have the following powers and
9 duties:

10 (1) Conduct a full analysis of student financial aid as a means of:

11 (a) Fulfilling educational aspirations of students of the state of
12 Washington, and

13 (b) Improving the general, social, cultural, and economic character
14 of the state.

15 Such an analysis will be a continuous one and will yield current
16 information relevant to needed improvements in the state program of
17 student financial aid. The (~~commission~~) board will disseminate the
18 information yielded by their analyses to all appropriate individuals
19 and agents.

20 (c) This study should include information on the following:

21 (i) all programs and sources of available student financial aid,

22 (ii) distribution of Washington citizens by socio-economic class,

23 (iii) data from federal and state studies useful in identifying:

24 (A) demands of students for specific educational goals in colleges,
25 and

26 (B) the discrepancy between high school students' preferences and
27 the colleges they actually selected.

28 (2) Design a state program of student financial aid based on the
29 data of the study referred to in this section. The state program will
30 supplement available federal and local aid programs. The state program
31 of student financial aid will not exceed the difference between the
32 budgetary costs of attending an institution of higher learning and the
33 student's total resources, including but not limited to: Family
34 support, personal savings, employment, and unemployment compensation;
35 temporary assistance for needy families; and federal, state, and local
36 financial aid and living assistance programs.

37 (3) Determine and establish criteria for financial need of the
38 individual applicant based upon the consideration of that particular

1 applicant. In making this determination the ((~~commission~~)) board shall
2 consider the following:

3 (a) Assets and income of the student.

4 (b) Assets and income of the parents, or the individuals legally
5 responsible for the care and maintenance of the student.

6 (c) The cost of attending the institution the student is attending
7 or planning to attend.

8 (d) Any other criteria deemed relevant to the ((~~commission~~)) board.

9 (4) Set the amount of financial aid to be awarded to any individual
10 needy or disadvantaged student in any school year.

11 (5) Award financial aid to needy or disadvantaged students for a
12 school year based upon only that amount necessary to fill the financial
13 gap between the budgetary cost of attending an institution of higher
14 education ((~~and~~)), the family and student contribution, and other
15 student financial aid.

16 (6) Review the need and eligibility of all applications on an
17 annual basis and adjust financial aid to reflect changes in the
18 financial need of the recipients and the cost of attending the
19 institution of higher education.

20 **Sec. 7.** RCW 28B.10.808 and 1991 c 164 s 4 are each amended to read
21 as follows:

22 In awarding need grants, the ((~~commission~~)) board shall proceed
23 substantially as follows: PROVIDED, That nothing contained herein
24 shall be construed to prevent the ((~~commission~~)) board, in the exercise
25 of its sound discretion, from following another procedure when the best
26 interest of the program so dictates:

27 (1) The ((~~commission~~)) board shall annually select the financial
28 aid award ((~~winners~~)) recipients from among Washington residents
29 applying for student financial aid who have been ranked according to
30 financial need as determined by the amount of the family contribution
31 and other considerations brought to the ((~~commission's~~)) board's
32 attention.

33 (2) The financial need of the highest ranked students shall be met
34 by grants depending upon the evaluation of financial need until the
35 total allocation has been disbursed. Funds from grants which are
36 declined, forfeited or otherwise unused shall be reawarded until
37 dispersed.

1 (3) A grant may be renewed (~~until the course of study is~~
2 ~~completed, but not for more than an additional four academic years~~
3 ~~beyond the first year of the award. These shall not be required to be~~
4 ~~consecutive years~~) for up to one hundred twenty-five percent of the
5 published length of time of the program with a lifetime eligibility of
6 five years. All periods of eligibility for full-time and part-time
7 students shall be adjusted to the equivalent credit or clock hours. A
8 student may not earn more than one associate degree in the community
9 and technical college system using the state need grant and may not use
10 lifetime need grant eligibility in the community and technical
11 colleges. Students enrolled in a program with a published length of
12 five years have a lifetime eligibility of one hundred twenty-five
13 percent of the published length of the program. Qualifications for
14 renewal will include maintaining satisfactory (~~academic standing~~)
15 progress toward completion of the course of study(~~, and~~) or continued
16 eligibility as determined by the (~~commission~~) board. Should the
17 recipient terminate his or her enrollment for any reason during the
18 academic year, the unused portion of the grant shall be returned to the
19 state educational grant fund by the institution according to the
20 institution's own policy for issuing refunds, except as provided in RCW
21 28B.10.8081.

22 (4) In computing financial need, the (~~commission~~) board shall
23 determine a maximum student expense budget allowance, not to exceed an
24 amount equal to the total maximum student expense budget at the public
25 institutions plus the current average state appropriation per student
26 for operating expense in the public institutions.

27 **Sec. 8.** RCW 28B.10.810 and 1989 c 254 s 5 are each amended to read
28 as follows:

29 For a student to be eligible for (~~financial aid the~~) a state need
30 grant a student must:

31 (1) Be a "needy student" or "disadvantaged student" as determined
32 by the (~~commission~~) board in accordance with RCW 28B.10.802 (3) and
33 (4).

34 (2) Have been domiciled within the state of Washington for at least
35 one year.

36 (3) Be enrolled or accepted for enrollment on at least a half-time
37 basis at an institution of higher education in Washington as defined in
38 RCW 28B.10.802(1).

1 (4) Have complied with all the rules and regulations adopted by the
2 (~~commission~~) board for the administration of RCW 28B.10.800 through
3 28B.10.824.

4 **Sec. 9.** RCW 28B.10.822 and 1973 c 62 s 4 are each amended to read
5 as follows:

6 The (~~commission~~) board shall adopt rules (~~and regulations~~) as
7 may be necessary or appropriate for effecting the provisions of RCW
8 28B.10.800 through 28B.10.824 and section 1 of this act, and not in
9 conflict with RCW 28B.10.800 through 28B.10.824, in accordance with the
10 provisions of chapter 34.05 RCW, the (~~state higher education~~)
11 administrative procedure act.

12 **Sec. 10.** RCW 28B.101.010 and 1990 c 288 s 3 are each amended to
13 read as follows:

14 The educational opportunity grant program is hereby created (~~as a~~
15 ~~demonstration project~~) to serve placebound financially needy students
16 by assisting them to obtain a baccalaureate degree at public and
17 private institutions of higher education (~~which have the capacity to~~
18 ~~accommodate such students within existing educational programs and~~
19 ~~facilities~~)).

20 **Sec. 11.** RCW 28B.101.020 and 1990 c 288 s 4 are each amended to
21 read as follows:

22 (1) For the purposes of this chapter, "placebound" means unable to
23 relocate to complete a college program because of family or employment
24 commitments, health concerns, monetary inability, or other similar
25 factors.

26 (2) To be eligible for an educational opportunity grant, applicants
27 must be placebound residents of the state of Washington who are needy
28 students as defined in RCW 28B.10.802(3) and who have completed the
29 associate of arts degree or its equivalent. A placebound resident is
30 one who may be influenced by the receipt of an enhanced student
31 financial aid award (~~to attend an institution that has existing unused~~
32 ~~capacity rather than attend a branch campus established pursuant to~~
33 ~~chapter 28B.45 RCW~~)). An eligible placebound applicant is further
34 defined as a person (~~whose residence is located in an area served by~~
35 ~~a branch campus~~) who, because of family or employment commitments,
36 health concerns, monetary need, or other similar factors, would be

1 unable to complete an upper-division course of study but for receipt of
2 an educational opportunity grant.

3 **Sec. 12.** RCW 28B.101.040 and 1993 sp.s. c 18 s 35 and 1993 c 385
4 s 2 are each reenacted and amended to read as follows:

5 Grants may be used by eligible participants to attend any public or
6 private college or university in the state of Washington that is
7 accredited by an accrediting association recognized by rule of the
8 higher education coordinating board (~~(and that has an existing unused~~
9 ~~capacity. Grants shall not be used to attend any branch campus or~~
10 ~~educational program established under chapter 28B.45 RCW)).~~ The
11 participant shall not be eligible for a grant if it will be used for
12 any programs that include religious worship, exercise, or instruction
13 or to pursue a degree in theology. Each participating student may
14 receive up to two thousand five hundred dollars per academic year, not
15 to exceed the student's demonstrated financial need for the course of
16 study. Resident students as defined in RCW 28B.15.012(2)(e) are not
17 eligible for grants under this chapter.

18 NEW SECTION. **Sec. 13.** Sections 3 through 8 of this act apply to
19 students who receive assistance through the state need grant program in
20 the 1998 fall academic term and thereafter."

21 **2SHB 1851** - S COMM AMD
22 By Committee on Higher Education

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24 On page 1, line 1 of the title, after "aid;" strike the remainder
25 of the title and insert "amending RCW 28B.10.800, 28B.10.802,
26 28B.10.804, 28B.10.806, 28B.10.808, 28B.10.810, 28B.10.822,
27 28B.101.010, and 28B.101.020; reenacting and amending RCW 28B.101.040;
28 adding a new section to chapter 28B.10 RCW; and creating new sections."

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