

E2SHB 1439 - S COMM AMD

By Committee on Higher Education & Workforce Development

OUT OF ORDER 03/01/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) In 2016, the student achievement
4 council contracted with the William D. Ruckelshaus center to conduct
5 a two-part study analyzing the system of for-profit degree-granting
6 institutions and private vocational schools in Washington. The
7 Ruckelshaus center issued its first report in December 2016, followed
8 by facilitated discussions amongst agencies and stakeholders that
9 resulted in a second report issued in 2017. This act incorporates
10 some of the findings and recommendations from the first phase of the
11 report, including the benefits of ensuring that recruitment
12 advertising and materials are consistent with state and federal
13 verified data. In addition, this act incorporates findings regarding
14 the need for a single student complaint portal and for agencies to
15 have timely access to trust funds for tuition recovery and other
16 methods of responding when schools close. This act also authorizes
17 the second part of the study, as recommended by the center, that will
18 include discussions of agency jurisdiction and consistency and how to
19 improve the agencies' abilities to respond to school closures.

20 (2) The legislature finds that there are many private for-profit
21 and nonprofit career colleges and degree-granting institutions
22 providing Washington state residents with important postsecondary and
23 career opportunities that contribute to the economic security of
24 Washington residents and aid in meeting the needs of our state's
25 growing economy. The legislature also recognizes that there have been
26 high profile closures of, or federal and other state determinations
27 regarding, some for-profit or formerly for-profit institutions that
28 have damaged the reputation of the sector and impacted the
29 expectations and financial stability of some students. It is the
30 legislature's intent to provide a framework to ensure a level playing
31 field exists for the many institutions that provide disclosures to

1 prospective students based on verifiable metrics, which allow
2 prospective students to be able to make the best decisions on school
3 and career choices and on financial aid and loans to finance their
4 educational goals. The legislature also intends to ensure that
5 students are provided the information they need to make the best
6 decisions for their educational future and careers in event of
7 closure or potential closure of an institution. In addition, the
8 legislature intends to protect the state's interest in the integrity
9 of its grant and aid programs, from private decisions to close
10 schools or programs under circumstances that may prevent students
11 from obtaining the degree or certificate and career services that the
12 students expected upon enrollment.

13 NEW SECTION. **Sec. 2.** (1) Subject to the availability of amounts
14 appropriated for this specific purpose, up to seventy-five thousand
15 dollars, the student achievement council must continue administering
16 the two-part study of for-profit degree-granting institutions and
17 private vocational schools that was authorized under section 609,
18 chapter 36, Laws of 2016 sp. sess.

19 (2) As part of the second part of the process, the study must
20 contain findings and recommendations regarding the creation of an
21 ombuds to serve students of degree-granting institutions and private
22 vocational schools, including a recommendation on which state agency
23 should house the position, and if there are other ombuds positions
24 created by the legislature that can serve these students. The study
25 must also contain recommendations on strengthening agencies'
26 abilities to respond to, and protect student consumers from, school
27 closures. Recommendations on agency responses include the use of
28 trust funds and surety bonds for tuition recovery and other related
29 losses.

30 (3) The student achievement council and the workforce training
31 and education coordinating board must provide a report on the study
32 to the legislature by December 31, 2018.

33 **Sec. 3.** RCW 28B.85.090 and 2012 c 229 s 550 are each amended to
34 read as follows:

35 (1) Complaints may be filed with the council under this chapter
36 by a person claiming loss of tuition or fees as a result of an unfair
37 business practice ((may file a complaint with the council)). The
38 complaint shall set forth the alleged violation and shall contain

1 information required by the council. A complaint may also be filed
2 with the council by an authorized staff member of the council or by
3 the attorney general.

4 (2) The council shall investigate any complaint under this
5 section and may attempt to bring about a settlement. The council may
6 hold a hearing pursuant to the Administrative Procedure Act, chapter
7 34.05 RCW, in order to determine whether a violation has occurred. If
8 the council prevails, the degree-granting institution shall pay the
9 costs of the administrative hearing.

10 (3) If, after the hearing, the council finds that the institution
11 or its agent engaged in or is engaging in any unfair business
12 practice, the council shall issue and cause to be served upon the
13 violator an order requiring the violator to cease and desist from the
14 act or practice and may impose the penalties under RCW 28B.85.100 and
15 section 4 of this act. If the council finds that the complainant has
16 suffered loss as a result of the act or practice, the council may
17 order full or partial restitution for the loss. The complainant is
18 not bound by the council's determination of restitution and may
19 pursue any other legal remedy.

20 NEW SECTION. **Sec. 4.** A new section is added to chapter 28B.85
21 RCW to read as follows:

22 (1)(a) The council may deny, revoke, or suspend the authorization
23 of any degree-granting institution authorized to operate under this
24 chapter that is found to be in violation of this chapter.

25 (b) The council may not delegate to any other state its authority
26 to oversee and enforce compliance with this chapter or its authority
27 to respond to complaints by students in this state, regardless of
28 whether the institution is authorized by, or has its home in, another
29 state.

30 (2) It is a violation of this chapter for a degree-granting
31 institution authorized to operate under this chapter or an agent
32 employed by such a degree-granting institution to:

33 (a) Provide prospective students with any testimonial,
34 endorsement, or other information that a reasonable person would find
35 was likely to mislead or deceive prospective students or the public
36 regarding current practices of the school, current conditions for
37 employment opportunities, postgraduation employment by industry, or
38 probable earnings in the occupation for which the education was

1 designed, the likelihood of obtaining financial aid or low-interest
2 loans for tuition, or the ability of graduates to repay loans;

3 (b) Use any official United States military logo in advertising
4 or promotional materials; and

5 (c) Violate the provision of section 5(1)(b) of this act
6 regarding the sale of, or inducing of students to obtain, specific
7 consumer student loan products.

8 NEW SECTION. **Sec. 5.** A new section is added to chapter 28B.85
9 RCW to read as follows:

10 (1) A degree-granting institution authorized to operate under
11 this chapter must:

12 (a) Present data about its completion rates, employment rates,
13 loan or indebtedness metrics, or its graduates' median hourly and
14 annual earnings, the posted data consistent with the data posted on
15 the workforce training and education coordinating board's career
16 bridge web site or the data posted by the United States department of
17 education, if the board or the department of education has posted
18 such data;

19 (b) Not engage in any practice regarding the sale of, or inducing
20 of students to obtain, specific consumer student loan products to
21 fund education that financially benefits any person or entity that
22 has an ownership interest in the institution, unless the institution
23 can demonstrate to the council that the student has exhausted all
24 federal aid options and has been denied noninstitutional private
25 commercial loan products. The prohibition in this subsection (1)(b)
26 applies to any degree-granting institution authorized to operate
27 under this chapter, and any agent of the institution, that has at
28 least one hundred fifty students or more enrolled in the state in any
29 given year or that has been operating in the state for less than two
30 consecutive years. A financial benefit for purposes of this
31 subsection (1)(b) does not include merely having an interest in
32 students with loans enrolling in the institution or assisting
33 students with financial aid matters. For purposes of this subsection
34 (1)(b), "agent" means any employee, officer, or contractor working on
35 behalf of the institution; and

36 (c) Disclose to the council immediately regarding any pending
37 investigations by an oversight entity, including the nature of that
38 investigation, within thirty days of the degree-granting
39 institution's first knowledge of the investigation. For the purposes

1 of this subsection, "investigation" means any inquiry into possible
2 violations of any applicable laws or accreditation standards. For the
3 purposes of this subsection, "oversight entity" means all of the
4 following:

5 (i) Any federal or state entity that provides financial aid to
6 students of the institution or approves the institution for
7 participation in a financial aid program;

8 (ii) Any state or federal attorney general's office or department
9 of justice;

10 (iii) Any regulator that approves the operation of the private
11 vocational school;

12 (iv) The federal consumer financial protection bureau or the
13 federal securities and exchange commission; and

14 (v) Any accrediting agency.

15 (2) A violation of any provision of this section is also a
16 violation of RCW 19.86.020 of the consumer protection act. The
17 penalties authorized pursuant to subsection (1) of this section do
18 not preclude remedies available under the provisions of the consumer
19 protection act.

20 **Sec. 6.** RCW 28C.10.050 and 2014 c 11 s 2 are each amended to
21 read as follows:

22 (1) The agency shall adopt by rule minimum standards for entities
23 operating private vocational schools. The minimum standards shall
24 include, but not be limited to, requirements to assess whether a
25 private vocational school is eligible to obtain and maintain a
26 license in this state.

27 (2) The requirements adopted by the agency shall, at a minimum,
28 require a private vocational school to:

29 (a) Disclose to the agency information about its ownership and
30 financial position and ((~~to~~)) demonstrate to the agency that the
31 school is financially viable and responsible and that it has
32 sufficient financial resources to fulfill its commitments to
33 students. Financial disclosures provided to the agency shall not be
34 subject to public disclosure under chapter 42.56 RCW;

35 (b) Follow a uniform statewide cancellation and refund policy as
36 specified by the agency;

37 (c) Disclose through use of a school catalog, web site, brochure,
38 or other written material, necessary information to students so that
39 students may make informed enrollment decisions. The agency shall

1 specify what data and information ((is)) are required. To the extent
2 that these web sites or materials present any data on the completion
3 rates, employment rates, loan or indebtedness metrics, and its
4 graduates' median hourly and annual earnings for any of the private
5 vocational schools or its programs, the posted data must be
6 consistent with the data posted on the agency's career bridge web
7 site or the data posted by the United States department of education,
8 if the agency or the department of education has posted such data.
9 Nothing in this subsection requires the agency to make changes to the
10 career bridge web site or add new elements or features to the career
11 bridge web site;

12 (d) Use an enrollment contract or agreement that includes: (i)
13 The school's cancellation and refund policy, (ii) a brief statement
14 that the school is licensed under this chapter and that inquiries,
15 concerns, or complaints may be made to the agency, and (iii) other
16 necessary information as determined by the agency;

17 (e) Describe accurately and completely in writing to students
18 before their enrollment prerequisites and requirements for (i)
19 completing successfully the programs of study in which they are
20 interested and (ii) qualifying for the fields of employment for which
21 their education is designed;

22 (f) Comply with the requirements of RCW 28C.10.084;

23 (g) Assess the basic skills and relevant aptitudes of each
24 potential student to determine that a potential student has the basic
25 skills and relevant aptitudes necessary to complete and benefit from
26 the program in which the student plans to enroll, including but not
27 limited to administering a United States department of education-
28 approved English as a second language exam before enrolling students
29 for whom English is a second language unless the students provide
30 proof of graduation from a United States high school or proof of
31 completion of a high school equivalency certificate as provided in
32 RCW 28B.50.536 in English or results of another academic assessment
33 determined appropriate by the agency. Guidelines for such assessments
34 shall be developed by the agency, in consultation with the schools;

35 (h) Discuss with each potential student the potential student's
36 obligations in signing any enrollment contract and/or incurring any
37 debt for educational purposes. The discussion shall include the
38 inadvisability of acquiring an excessive educational debt burden that
39 will be difficult to repay given employment opportunities and average
40 starting salaries in the potential student's chosen occupation;

1 (i) Ensure that any enrollment contract between the private
2 vocational school and its students has an attachment in a format
3 provided by the agency. The attachment shall be signed by both the
4 school and the student. The attachment shall stipulate that the
5 school has complied with (h) of this subsection and that the student
6 understands and accepts his or her responsibilities in signing any
7 enrollment contract or debt application. The attachment shall also
8 stipulate that the enrollment contract shall not be binding for at
9 least five days, excluding Sundays and holidays, following signature
10 of the enrollment contract by both parties; ~~((and))~~

11 (j) Comply with the requirements related to qualifications of
12 administrators and instructors; and

13 (k) Disclose to the agency immediately regarding any pending
14 investigations by an oversight entity, including the nature of that
15 investigation, within thirty days of the school's first knowledge of
16 the investigation. For the purposes of this subsection,
17 "investigation" means any inquiry into possible violations of any
18 applicable laws or accreditation standards. For the purposes of this
19 subsection, "oversight entity" means all of the following:

20 (i) Any federal or state entity that provides financial aid to
21 students of the institution or approves the school for participation
22 in a financial aid program;

23 (ii) Any state or federal attorney general's office or department
24 of justice;

25 (iii) Any regulator that approves the operation of the private
26 vocational school;

27 (iv) The federal consumer financial protection bureau or the
28 federal securities and exchange commission; and

29 (v) Any accrediting agency.

30 (3) A private vocational school that has at least one hundred
31 fifty students or more in the state during any given year, or that
32 has been operating in the state for less than two consecutive years,
33 or that has not had at least one of its programs recognized by the
34 agency as an eligible training provider for at least two consecutive
35 years, may not engage in any practice regarding the sale of, or
36 inducing of students to obtain, specific consumer student loan
37 products to fund education that financially benefits any person or
38 entity that has an ownership interest in the institution, unless the
39 institution can demonstrate to the agency that the student has
40 exhausted all federal aid options and has been denied

1 noninstitutional private commercial loan products. A financial
2 benefit for purposes of this subsection does not include merely
3 having an interest in students with loans enrolling in the
4 institution or assisting students with financial aid matters. For
5 purposes of this subsection, "agent" means any employee, officer, or
6 contractor working on behalf of the institution.

7 (4) The agency may deny a private vocational school's application
8 for licensure if the school fails to meet the requirements in this
9 section.

10 ((+4)) (5) The agency may determine that a licensed private
11 vocational school or a particular program of a private vocational
12 school is at risk of closure or termination if:

13 (a) There is a pattern or history of substantiated student
14 complaints filed with the agency pursuant to RCW 28C.10.120; or

15 (b) The private vocational school fails to meet minimum licensing
16 requirements and has a pattern or history of failing to meet the
17 minimum requirements.

18 ((+5)) (6) If the agency determines that a private vocational
19 school or a particular program is at risk of closure or termination,
20 the agency shall require the school to take corrective action.

21 **Sec. 7.** RCW 28C.10.110 and 2014 c 11 s 6 are each amended to
22 read as follows:

23 (1) It is a violation of this chapter for an entity operating a
24 private vocational school to engage in an unfair business practice.
25 The agency may deny, revoke, or suspend the license of any entity
26 that is found to have engaged in a substantial number of unfair
27 business practices or that has engaged in significant unfair business
28 practices.

29 (2) It is an unfair business practice for an entity operating a
30 private vocational school or an agent employed by a private
31 vocational school to:

32 (a) Fail to comply with the terms of a student enrollment
33 contract or agreement;

34 (b) Use an enrollment contract form, catalog, brochure, or
35 similar written material affecting the terms and conditions of
36 student enrollment other than that previously submitted to the agency
37 and authorized for use;

38 (c) Advertise in the help wanted section of a newspaper or
39 otherwise represent falsely, directly or by implication, that the

1 school is an employment agency, is making an offer of employment or
2 otherwise is attempting to conceal the fact that what is being
3 represented are course offerings of a school;

4 (d) Represent falsely, directly or by implication, that an
5 educational program is approved by a particular industry or that
6 successful completion of the program qualifies a student for
7 admission to a labor union or similar organization or for the receipt
8 of a state license in any business, occupation, or profession;

9 (e) Represent falsely, directly or by implication, that a student
10 who successfully completes a course or program of instruction may
11 transfer credit for the course or program to any institution of
12 higher education;

13 (f) Represent falsely, directly or by implication, in advertising
14 or in any other manner, the school's size, location, facilities,
15 equipment, faculty qualifications, number of faculty, or the extent
16 or nature of any approval received from an accrediting association;

17 (g) Represent that the school is approved, recommended, or
18 endorsed by the state of Washington or by the agency, except the fact
19 that the school is authorized to operate under this chapter may be
20 stated;

21 (h) Provide prospective students with: Any testimonial,
22 endorsement, or other information ((which has the tendency)) that a
23 reasonable person would find likely to mislead or deceive prospective
24 students or the public, including those regarding current practices
25 of the school((τ)); information regarding rates of completion or
26 postgraduation employment by industry, or its graduates' median
27 hourly or annual earnings, that is not consistent with the
28 presentation of data as established under RCW 28C.10.050(2)(c);
29 current conditions for employment opportunities((τ)); postgraduation
30 employment by industry or probable earnings in the occupation for
31 which the education was designed; total cost to obtain a diploma or
32 certificate; the acceptance of a diploma or certificate by employers
33 as a qualification for employment; the acceptance of courses, a
34 diploma, or certificate by higher education institutions; the
35 likelihood of obtaining financial aid or low-interest loans for
36 tuition; and the ability of graduates to repay loans;

37 (i) Designate or refer to sales representatives as "counselors,"
38 "advisors," or similar terms which have the tendency to mislead or
39 deceive prospective students or the public regarding the authority or
40 qualifications of the sales representatives;

1 (j) Make or cause to be made any statement or representation in
2 connection with the offering of education if the school or agent
3 knows or reasonably should have known the statement or representation
4 to be false, substantially inaccurate, or misleading;

5 (k) Engage in methods of advertising, sales, collection, credit,
6 or other business practices which are false, deceptive, misleading,
7 or unfair, as determined by the agency by rule; ((~~o~~))

8 (l) Attempt to recruit students in or within forty feet of a
9 building that contains a welfare or unemployment office. Recruiting
10 includes, but is not limited to canvassing and surveying. Recruiting
11 does not include leaving materials at or near an office for a person
12 to pick up of his or her own accord, or handing a brochure or leaflet
13 to a person provided that no attempt is made to obtain a name,
14 address, telephone number, or other data, or to otherwise actively
15 pursue the enrollment of the individual;

16 (m) Violate RCW 28C.10.050(3) regarding the sale of, or inducing
17 of students to obtain, specific consumer student loan products; or

18 (n) Use any official United States military logos in advertising
19 or promotional materials.

20 **Sec. 8.** RCW 28C.10.130 and 1986 c 299 s 13 are each amended to
21 read as follows:

22 (1) Any private vocational school or agent violating RCW
23 28C.10.060, 28C.10.090, or 28C.10.110 or the applicable agency rules
24 is subject to a civil penalty of not more than one hundred dollars
25 for each separate violation. Each day on which a violation occurs
26 constitutes a separate violation. Multiple violations on a single day
27 may be considered separate violations. The fine may be imposed by the
28 agency under RCW 28C.10.120, or in any court of competent
29 jurisdiction.

30 (2) In addition to the penalties authorized pursuant to
31 subsection (1) of this section, any violation of any provision of
32 this chapter is also a violation of RCW 19.86.020 of the consumer
33 protection act, pursuant to RCW 28C.10.210. The penalties authorized
34 under subsection (1) of this section do not preclude remedies
35 available under the provisions of the consumer protection act.

36 NEW SECTION. **Sec. 9.** A new section is added to chapter 18.16
37 RCW to read as follows:

1 (1)(a) For the purpose of providing relief to students impacted
2 by the voluntary or involuntary closure of schools regulated under
3 this chapter, the director shall establish, maintain, and administer
4 a tuition recovery trust fund. All funds collected for the tuition
5 recovery trust fund are payable to the state for the benefit and
6 protection of any student or enrollee of a private school licensed
7 under this chapter, for purposes including but not limited to the
8 settlement of claims related to school closures.

9 (b) No liability accrues to the state from claims made against
10 the tuition recovery trust fund.

11 (2)(a) The director may impose a fee structure, set forth in
12 rule, on schools licensed under this chapter to fund the tuition
13 recovery trust fund.

14 (b) The director must determine an amount that would be
15 sufficient in the tuition recovery trust fund to provide relief to
16 students in the event of a school closure. The director shall adopt
17 schedules of times and amounts for effecting payments of fees. To
18 reach the amount determined, the director may phase in the collection
19 of fees, but must achieve the amount determined to be sufficient no
20 later than five years from the effective date of this section.

21 (3) Money from the tuition recovery trust fund may be used for:

22 (a) Providing refunds to students affected by school closures;

23 (b) Securing and administering student records; and

24 (c) Any other response the director determines is necessary to
25 mitigate impacts of a potential or actual school closure.

26 (4) In order for a school to be and remain licensed under this
27 chapter, each school owner shall, in addition to other requirements
28 under this chapter, make cash deposits on behalf of the school into
29 the tuition recovery trust fund.

30 (5) The tuition recovery trust fund's liability with respect to
31 each participating school commences on the date of the initial
32 deposit into the tuition recovery trust fund made on its behalf and
33 ceases one year from the date the school is no longer licensed under
34 this chapter.

35 (6) The director shall adopt by rule a matrix for calculating the
36 deposits into the tuition recovery trust fund on behalf of each
37 school.

38 (7) No vested right or interest in deposited funds is created or
39 implied for the depositor at any time during the operation of the
40 tuition recovery trust fund or at any such future time that the

1 tuition recovery trust fund may be dissolved. All funds deposited are
2 payable to the state for the purposes described in this section. The
3 director shall maintain the tuition recovery trust fund, serve
4 appropriate notices to affected owners when scheduled deposits are
5 due, collect deposits, and make disbursements to settle claims
6 against the tuition recovery trust fund.

7 (8) The director shall adopt rules to address notifying potential
8 claimants, settling claims, disbursing funds, and any other processes
9 necessary to implement the purpose of this section.

10 NEW SECTION. **Sec. 10.** A new section is added to chapter 28B.85
11 RCW to read as follows:

12 (1)(a) For the purpose of providing relief to students impacted
13 by the voluntary or involuntary closure of schools regulated under
14 this chapter, the council shall establish, maintain, and administer a
15 tuition recovery trust fund. All funds collected for the tuition
16 recovery trust fund are payable to the state for the benefit and
17 protection of any student or enrollee of a private school licensed
18 under this chapter, for purposes including but not limited to the
19 settlement of claims related to school closures.

20 (b) No liability accrues to the state from claims made against
21 the tuition recovery trust fund.

22 (2)(a) The council may impose a fee structure, set forth in rule,
23 on schools licensed under this chapter to fund the tuition recovery
24 trust fund.

25 (b) The council must determine an amount that would be sufficient
26 in the tuition recovery trust fund to provide relief to students in
27 the event of a school closure. The council shall adopt schedules of
28 times and amounts for effecting payments of fees. To reach the amount
29 determined, the council may phase in the collection of fees, but must
30 achieve the amount determined to be sufficient no later than five
31 years from the effective date of this section.

- 32 (3) Money from the tuition recovery trust fund may be used for:
- 33 (a) Providing refunds to students affected by school closures;
 - 34 (b) Securing and administering student records; and
 - 35 (c) Any other response the council determines is necessary to
36 mitigate impacts of a potential or actual school closure.

37 (4) In order for a school to be and remain licensed under this
38 chapter, each school owner shall, in addition to other requirements

1 under this chapter, make cash deposits on behalf of the school into a
2 tuition recovery trust fund.

3 (5) The tuition recovery trust fund's liability with respect to
4 each participating school commences on the date of the initial
5 deposit into the tuition recovery trust fund made on its behalf and
6 ceases one year from the date the school is no longer licensed under
7 this chapter.

8 (6) The council shall adopt by rule a matrix for calculating the
9 deposits into the tuition recovery trust fund on behalf of each
10 school.

11 (7) No vested right or interest in deposited funds is created or
12 implied for the depositor at any time during the operation of the
13 tuition recovery trust fund or at any such future time that the
14 tuition recovery trust fund may be dissolved. All funds deposited are
15 payable to the state for the purposes described under this section.
16 The council shall maintain the tuition recovery trust fund, serve
17 appropriate notices to affected owners when scheduled deposits are
18 due, collect deposits, and make disbursements to settle claims
19 against the tuition recovery trust fund.

20 (8) The council shall adopt rules to address notifying potential
21 claimants, settling claims, disbursing funds, and any other processes
22 necessary to implement the purpose of this section.

23 NEW SECTION. **Sec. 11.** A new section is added to chapter 28B.77
24 RCW to read as follows:

25 Within existing resources, the student achievement council, the
26 workforce training and education coordinating board, and the
27 department of licensing shall collaborate to create a single portal
28 for student complaints regarding issues related to consumer
29 protection, disclosures, school or program closures, or other
30 violations committed by institutions regulated by those three
31 agencies. The persons staffing the portal shall refer complaints to
32 the appropriate agency and work as a liaison between the student and
33 relevant agency to assist in resolving the concerns or complaint.
34 Each agency shall ensure that all students enrolled in, applying to
35 enroll in, or obtaining loans at, institutions regulated by the
36 agency are informed of the portal and how to file complaints. The
37 persons staffing the portal will report to the legislature annually
38 by November 1, 2018, the number of complaints and their resolution
39 status."

OUT OF ORDER 03/01/2018

1 On page 1, line 3 of the title, after "practices;" strike the
2 remainder of the title and insert "amending RCW 28A.85.090,
3 28C.10.050, 28C.10.110, and 28C.10.130; adding new sections to
4 chapter 28B.85 RCW; adding a new section to chapter 18.16 RCW; adding
5 a new section to chapter 28B.77 RCW; creating new sections; and
6 prescribing penalties."

EFFECT: Requires the Washington Student Achievement Council (WSAC) to include in the second phase of its study of for-profit degree-granting institutions and private vocational schools recommendations on strengthening agencies' ability to respond to school closures, including access to trust funds; mandates that the WSAC may not delegate its authority over compliance in this state; creates a tuition recovery trust fund supported by fees imposed on schools licensed under chapter 18.16 RCW by the DOL and chapter 28B.85 RCW by the WSAC; prohibits the use of military logos in promotional materials by private vocational schools and degree-granting institutions; prohibits the use of proprietary loans by entities with over 150 students that have been open for more than two years; requires disclosure by any school or degree-granting institution under investigation by any oversight entities; and requires the WorkForce Board, WSAC, and DOL to collaborate on the creation of a single portal for student complaints within existing resources and annually report on the number of complaints.

--- END ---