

E3SHB 1488 - S COMM AMD

By Committee on Higher Education & Workforce Development

ADOPTED 03/01/2018

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

3 "Sec. 1. RCW 28B.118.010 and 2017 3rd sp.s. c 20 s 11 are each
4 amended to read as follows:

5 The office of student financial assistance shall design the
6 Washington college bound scholarship program in accordance with this
7 section and in alignment with the state need grant program in chapter
8 28B.92 RCW unless otherwise provided in this section.

9 (1) "Eligible students" are those students who:

10 (a) Qualify for free or reduced-price lunches. If a student
11 qualifies in the seventh grade, the student remains eligible even if
12 the student does not receive free or reduced-price lunches
13 thereafter;

14 (b) Are dependent pursuant to chapter 13.34 RCW and:

15 (i) In grade seven through twelve; or

16 (ii) Are between the ages of eighteen and twenty-one and have not
17 graduated from high school; or

18 (c) Were dependent pursuant to chapter 13.34 RCW and were adopted
19 between the ages of fourteen and eighteen with a negotiated adoption
20 agreement that includes continued eligibility for the Washington
21 state college bound scholarship program pursuant to RCW 74.13A.025.

22 (2) Eligible students shall be notified of their eligibility for
23 the Washington college bound scholarship program beginning in their
24 seventh grade year. Students shall also be notified of the
25 requirements for award of the scholarship.

26 (3)(a) To be eligible for a Washington college bound scholarship,
27 a student eligible under subsection (1)(a) of this section must sign
28 a pledge during seventh or eighth grade that includes a commitment to
29 graduate from high school with at least a C average and with no
30 felony convictions. The pledge must be witnessed by a parent or
31 guardian and forwarded to the office of student financial assistance
32 by mail or electronically, as indicated on the pledge form.

1 (b) A student eligible under subsection (1)(b) of this section
2 shall be automatically enrolled, with no action necessary by the
3 student or the student's family, and the enrollment form must be
4 forwarded by the department of social and health services to the
5 higher education coordinating board or its successor by mail or
6 electronically, as indicated on the form.

7 (4)(a) Scholarships shall be awarded to eligible students
8 graduating from public high schools, approved private high schools
9 under chapter 28A.195 RCW, or who received home-based instruction
10 under chapter 28A.200 RCW.

11 (b)(i) To receive the Washington college bound scholarship, a
12 student must graduate with at least a "C" average from a public high
13 school or an approved private high school under chapter 28A.195 RCW
14 in Washington or have received home-based instruction under chapter
15 28A.200 RCW, must have no felony convictions, and must be a resident
16 student as defined in RCW 28B.15.012(2) (a) through ~~((d))~~ (e). A
17 student who is eligible to receive the Washington college bound
18 scholarship because the student is a resident student under RCW
19 28B.15.012(2)(e) must provide the institution, as defined in RCW
20 28B.15.012, an affidavit indicating that the individual will file an
21 application to become a permanent resident at the earliest
22 opportunity the individual is eligible to do so and a willingness to
23 engage in any other activities necessary to acquire citizenship,
24 including but not limited to citizenship or civics review courses.

25 (ii) For eligible children as defined in subsection (1)(b) and
26 (c) of this section, to receive the Washington college bound
27 scholarship, a student must have received a high school equivalency
28 certificate as provided in RCW 28B.50.536 or have graduated with at
29 least a "C" average from a public high school or an approved private
30 high school under chapter 28A.195 RCW in Washington or have received
31 home-based instruction under chapter 28A.200 RCW, must have no felony
32 convictions, and must be a resident student as defined in RCW
33 28B.15.012(2) (a) through ~~((d))~~ (e).

34 For a student who does not meet the "C" average requirement, and
35 who completes fewer than two quarters in the running start program,
36 under chapter 28A.600 RCW, the student's first quarter of running
37 start course grades must be excluded from the student's overall grade
38 point average for purposes of determining their eligibility to
39 receive the scholarship.

1 (5) A student's family income will be assessed upon graduation
2 before awarding the scholarship.

3 (6) If at graduation from high school the student's family income
4 does not exceed sixty-five percent of the state median family income,
5 scholarship award amounts shall be as provided in this section.

6 (a) For students attending two or four-year institutions of
7 higher education as defined in RCW 28B.10.016, the value of the award
8 shall be (i) the difference between the student's tuition and
9 required fees, less the value of any state-funded grant, scholarship,
10 or waiver assistance the student receives; (ii) plus five hundred
11 dollars for books and materials.

12 (b) For students attending private four-year institutions of
13 higher education in Washington, the award amount shall be the
14 representative average of awards granted to students in public
15 research universities in Washington or the representative average of
16 awards granted to students in public research universities in
17 Washington in the 2014-15 academic year, whichever is greater.

18 (c) For students attending private vocational schools in
19 Washington, the award amount shall be the representative average of
20 awards granted to students in public community and technical colleges
21 in Washington or the representative average of awards granted to
22 students in public community and technical colleges in Washington in
23 the 2014-15 academic year, whichever is greater.

24 (7) Recipients may receive no more than four full-time years'
25 worth of scholarship awards.

26 (8) Institutions of higher education shall award the student all
27 need-based and merit-based financial aid for which the student would
28 otherwise qualify. The Washington college bound scholarship is
29 intended to replace unmet need, loans, and, at the student's option,
30 work-study award before any other grants or scholarships are reduced.

31 (9) The first scholarships shall be awarded to students
32 graduating in 2012.

33 (10) The state of Washington retains legal ownership of tuition
34 units awarded as scholarships under this chapter until the tuition
35 units are redeemed. These tuition units shall remain separately held
36 from any tuition units owned under chapter 28B.95 RCW by a Washington
37 college bound scholarship recipient.

38 (11) The scholarship award must be used within five years of
39 receipt. Any unused scholarship tuition units revert to the
40 Washington college bound scholarship account.

1 (12) Should the recipient terminate his or her enrollment for any
2 reason during the academic year, the unused portion of the
3 scholarship tuition units shall revert to the Washington college
4 bound scholarship account.

5 **Sec. 2.** RCW 28B.145.030 and 2014 c 208 s 3 are each amended to
6 read as follows:

7 (1) The program administrator, under contract with the council,
8 shall staff the board and shall have the duties and responsibilities
9 provided in this chapter, including but not limited to publicizing
10 the program, selecting participants for the opportunity scholarship
11 award, distributing opportunity scholarship awards, and achieving the
12 maximum possible rate of return on investment of the accounts in
13 subsection (2) of this section, while ensuring transparency in the
14 investment decisions and processes. Duties, exercised jointly with
15 the board, include soliciting funds and setting annual fund-raising
16 goals. The program administrator shall be paid an administrative fee
17 as determined by the board.

18 (2) With respect to the opportunity scholarship program, the
19 program administrator shall:

20 (a) Establish and manage two separate accounts into which to
21 receive grants and contributions from private sources as well as
22 state matching funds, and from which to disburse scholarship funds to
23 participants;

24 (b) Solicit and accept grants and contributions from private
25 sources, via direct payment, pledge agreement, or escrow account, of
26 private sources for deposit into one or both of the two accounts
27 created in this subsection (2)(b) in accordance with this subsection
28 (2)(b):

29 (i) The "scholarship account," whose principal may be invaded,
30 and from which scholarships must be disbursed beginning no later than
31 December 1, 2011, if, by that date, state matching funds in the
32 amount of five million dollars or more have been received.
33 Thereafter, scholarships shall be disbursed on an annual basis
34 beginning no later than May 1, 2012, and every October 1st
35 thereafter;

36 (ii) The "endowment account," from which scholarship moneys may
37 be disbursed from earnings only in years when:

38 (A) The state match has been made into both the scholarship and
39 the endowment account;

1 (B) The state appropriations for the state need grant under RCW
2 28B.92.010 meet or exceed state appropriations for the state need
3 grant made in the 2011-2013 biennium, adjusted for inflation, and
4 eligibility for state need grant recipients is at least seventy
5 percent of state median family income; and

6 (C) The state has demonstrated progress toward the goal of total
7 per-student funding levels, from state appropriations plus tuition
8 and fees, of at least the sixtieth percentile of total per-student
9 funding at similar public institutions of higher education in the
10 global challenge states, as defined, measured, and reported in RCW
11 28B.15.068. In any year in which the office of financial management
12 reports that the state has not made progress toward this goal, no new
13 scholarships may be awarded. In any year in which the office of
14 financial management reports that the percentile of total per-student
15 funding is less than the sixtieth percentile and at least five
16 percent less than the prior year, pledges of future grants and
17 contributions may, at the request of the donor, be released and
18 grants and contributions already received refunded to the extent that
19 opportunity scholarship awards already made can be fulfilled from the
20 funds remaining in the endowment account. In fulfilling the
21 requirements of this subsection, the office of financial management
22 shall use resources that facilitate measurement and comparisons of
23 the most recently completed academic year. These resources may
24 include, but are not limited to, the data provided in a uniform
25 dashboard format under RCW 28B.77.090 as the statewide public four-
26 year dashboard and academic year reports prepared by the state board
27 for community and technical colleges;

28 (iii) An amount equal to at least fifty percent of all grants and
29 contributions must be deposited into the scholarship account until
30 such time as twenty million dollars have been deposited into the
31 account, after which time the private donors may designate whether
32 their contributions must be deposited to the scholarship or the
33 endowment account. The board and the program administrator must work
34 to maximize private sector contributions to both the scholarship
35 account and the endowment account, to maintain a robust scholarship
36 program while simultaneously building the endowment, and to determine
37 the division between the two accounts in the case of undesignated
38 grants and contributions, taking into account the need for a
39 long-term funding mechanism and the short-term needs of families and
40 students in Washington. The first five million dollars in state

1 match, as provided in RCW 28B.145.040, shall be deposited into the
2 scholarship account and thereafter the state match shall be deposited
3 into the two accounts in equal proportion to the private funds
4 deposited in each account; and

5 (iv) Once moneys in the opportunity scholarship match transfer
6 account are subject to an agreement under RCW 28B.145.050(5) and are
7 deposited in the scholarship account or endowment account under this
8 section, the state acts in a fiduciary rather than ownership capacity
9 with regard to those assets. Assets in the scholarship account and
10 endowment account are not considered state money, common cash, or
11 revenue to the state;

12 (c) Provide proof of receipt of grants and contributions from
13 private sources to the council, identifying the amounts received by
14 name of private source and date, and whether the amounts received
15 were deposited into the scholarship or the endowment account;

16 (d) In consultation with the council and the state board for
17 community and technical colleges, make an assessment of the
18 reasonable annual eligible expenses associated with eligible
19 education programs identified by the board;

20 (e) Determine the dollar difference between tuition fees charged
21 by institutions of higher education in the 2008-09 academic year and
22 the academic year for which an opportunity scholarship is being
23 distributed;

24 (f) Develop and implement an application, selection, and
25 notification process for awarding opportunity scholarships;

26 (g) Determine the annual amount of the opportunity scholarship
27 for each selected participant. The annual amount shall be at least
28 one thousand dollars or the amount determined under (e) of this
29 subsection, but may be increased on an income-based, sliding scale
30 basis up to the amount necessary to cover all reasonable annual
31 eligible expenses as assessed pursuant to (d) of this subsection, or
32 to encourage participation in baccalaureate degree programs
33 identified by the board;

34 (h) Distribute scholarship funds to selected participants. Once
35 awarded, and to the extent funds are available for distribution, an
36 opportunity scholarship shall be automatically renewed as long as the
37 participant annually submits documentation of filing both a free
38 application for federal student aid and for available federal
39 education tax credits, including but not limited to the American
40 opportunity tax credit, or if ineligible to apply for federal student

1 aid, the participant annually submits documentation of filing a state
2 financial aid application as approved by the office of student
3 financial assistance; and until the participant withdraws from or is
4 no longer attending the program, completes the program, or has taken
5 the credit or clock hour equivalent of one hundred twenty-five
6 percent of the published length of time of the participant's program,
7 whichever occurs first(~~(, and as long as the participant annually~~
8 ~~submits documentation of filing both a free application for federal~~
9 ~~student aid and for available federal education tax credits,~~
10 ~~including but not limited to the American opportunity tax credit));~~
11 and

12 (i) Notify institutions of scholarship recipients who will attend
13 their institutions and inform them of the terms of the students'
14 eligibility.

15 (3) With respect to the opportunity expansion program, the
16 program administrator shall:

17 (a) Assist the board in developing and implementing an
18 application, selection, and notification process for making
19 opportunity expansion awards; and

20 (b) Solicit and accept grants and contributions from private
21 sources for opportunity expansion awards.

22 **Sec. 3.** RCW 28B.15.012 and 2017 c 191 s 1 are each amended to
23 read as follows:

24 Whenever used in this chapter:

25 (1) The term "institution" shall mean a public university,
26 college, or community or technical college within the state of
27 Washington.

28 (2) The term "resident student" shall mean:

29 (a) A financially independent student who has had a domicile in
30 the state of Washington for the period of one year immediately prior
31 to the time of commencement of the first day of the semester or
32 quarter for which the student has registered at any institution and
33 has in fact established a bona fide domicile in this state primarily
34 for purposes other than educational;

35 (b) A dependent student, if one or both of the student's parents
36 or legal guardians have maintained a bona fide domicile in the state
37 of Washington for at least one year immediately prior to commencement
38 of the semester or quarter for which the student has registered at
39 any institution;

1 (c) A student classified as a resident based upon domicile by an
2 institution on or before May 31, 1982, who was enrolled at a state
3 institution during any term of the 1982-1983 academic year, so long
4 as such student's enrollment (excepting summer sessions) at an
5 institution in this state is continuous;

6 (d) Any student who has spent at least seventy-five percent of
7 both his or her junior and senior years in high schools in this
8 state, whose parents or legal guardians have been domiciled in the
9 state for a period of at least one year within the five-year period
10 before the student graduates from high school, and who enrolls in a
11 public institution of higher education within six months of leaving
12 high school, for as long as the student remains continuously enrolled
13 for three quarters or two semesters in any calendar year;

14 (e) Any person who has completed the full senior year of high
15 school and obtained a high school diploma, both at a Washington
16 public high school or private high school approved under chapter
17 28A.195 RCW, or a person who has received the equivalent of a
18 diploma; who has lived in Washington for at least three years
19 immediately prior to receiving the diploma or its equivalent; who has
20 continuously lived in the state of Washington after receiving the
21 diploma or its equivalent and until such time as the individual is
22 admitted to an institution of higher education under subsection (1)
23 of this section; and who provides to the institution an affidavit
24 indicating that the individual will file an application to become a
25 permanent resident at the earliest opportunity the individual is
26 eligible to do so and a willingness to engage in any other activities
27 necessary to acquire citizenship, including but not limited to
28 citizenship or civics review courses;

29 (f) Any person who has lived in Washington, primarily for
30 purposes other than educational, for at least one year immediately
31 before the date on which the person has enrolled in an institution,
32 and who holds lawful nonimmigrant status pursuant to 8 U.S.C. Sec.
33 (a)(15) (E)(iii), (H)(i), or (L), or who holds lawful nonimmigrant
34 status as the spouse or child of a person having nonimmigrant status
35 under one of those subsections, or who, holding or having previously
36 held such lawful nonimmigrant status as a principal or derivative,
37 has filed an application for adjustment of status pursuant to 8
38 U.S.C. Sec. 1255(a);

39 (g) A student who is on active military duty stationed in the
40 state or who is a member of the Washington national guard;

1 (h) A student who is on active military duty or a member of the
2 national guard who entered service as a Washington resident and who
3 has maintained Washington as his or her domicile but is not stationed
4 in the state;

5 (i) A student who is the spouse or a dependent of a person who is
6 on active military duty or a member of the national guard who entered
7 service as a Washington resident and who has maintained Washington as
8 his or her domicile but is not stationed in the state. If the person
9 on active military duty is reassigned out-of-state, the student
10 maintains the status as a resident student so long as the student is
11 continuously enrolled in a degree program;

12 (j) A student who is entitled to transferred federal post-9/11
13 veterans educational assistance act of 2008 (38 U.S.C. Sec. 3301 et
14 seq.) benefits based on the student's relationship as a spouse,
15 former spouse, or child to an individual who is on active duty in the
16 uniformed services;

17 (k) A student who resides in the state of Washington and is the
18 spouse or a dependent of a person who is a member of the Washington
19 national guard;

20 (l) A student who has separated from the uniformed services with
21 any period of honorable service after at least ninety days of active
22 duty service; is eligible for benefits under the federal all-
23 volunteer force educational assistance program (38 U.S.C. Sec. 3001
24 et seq.), the federal post-9/11 veterans educational assistance act
25 of 2008 (38 U.S.C. Sec. 3301 et seq.), or any other federal law
26 authorizing educational assistance benefits for veterans; and enters
27 an institution of higher education in Washington within three years
28 of the date of separation;

29 (m) A student who is entitled to veterans administration
30 educational assistance benefits based on the student's relationship
31 as a spouse, former spouse, or child to an individual who has
32 separated from the uniformed services with any period of honorable
33 service after at least ninety days of active duty service, and who
34 enters an institution of higher education in Washington within three
35 years of the service member's date of separation;

36 (n) A student who is entitled to veterans administration
37 educational assistance benefits based on the student's relationship
38 with a deceased member of the uniformed services who died in the line
39 of duty;

1 (o) A student of an out-of-state institution of higher education
2 who is attending a Washington state institution of higher education
3 pursuant to a home tuition agreement as described in RCW 28B.15.725;

4 (p) A student who meets the requirements of RCW 28B.15.0131 or
5 28B.15.0139: PROVIDED, That a nonresident student enrolled for more
6 than six hours per semester or quarter shall be considered as
7 attending for primarily educational purposes, and for tuition and fee
8 paying purposes only such period of enrollment shall not be counted
9 toward the establishment of a bona fide domicile of one year in this
10 state unless such student proves that the student has in fact
11 established a bona fide domicile in this state primarily for purposes
12 other than educational;

13 (q) A student who resides in Washington and is on active military
14 duty stationed in the Oregon counties of Columbia, Gilliam, Hood
15 River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla,
16 Union, Wallowa, Wasco, or Washington; or

17 (r) A student who resides in Washington and is the spouse or a
18 dependent of a person who resides in Washington and is on active
19 military duty stationed in the Oregon counties of Columbia, Gilliam,
20 Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla,
21 Union, Wallowa, Wasco, or Washington. If the person on active
22 military duty moves from Washington or is reassigned out of the
23 Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop,
24 Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or
25 Washington, the student maintains the status as a resident student so
26 long as the student resides in Washington and is continuously
27 enrolled in a degree program.

28 (3)(a) A student who qualifies under subsection (2)(j), (l), (m),
29 or (n) of this section and who remains continuously enrolled at an
30 institution of higher education shall retain resident student status.

31 (b) Nothing in subsection (2)(j), (l), (m), or (n) of this
32 section applies to students who have a dishonorable discharge from
33 the uniformed services, or to students who are the spouse or child of
34 an individual who has had a dishonorable discharge from the uniformed
35 services, unless the student is receiving veterans administration
36 educational assistance benefits.

37 (4) The term "nonresident student" shall mean any student who
38 does not qualify as a "resident student" under the provisions of this
39 section and RCW 28B.15.013. Except for students qualifying under

1 subsection (2)(e) or (o) of this section, a nonresident student shall
2 include:

3 (a) A student attending an institution with the aid of financial
4 assistance provided by another state or governmental unit or agency
5 thereof, such nonresidency continuing for one year after the
6 completion of such semester or quarter. This condition shall not
7 apply to students from Columbia, Multnomah, Clatsop, Clackamas, or
8 Washington county, Oregon participating in the border county pilot
9 project under RCW 28B.76.685, 28B.76.690, and 28B.15.0139.

10 (b) A person who is not a citizen of the United States of America
11 (~~(who does not have permanent or temporary resident status or does~~
12 ~~not hold "Refugee Parolee" or "Conditional Entrant" status with the~~
13 ~~United States citizenship immigration services or is not otherwise~~
14 ~~permanently residing in the United States under color of law and who~~
15 ~~does not also meet and comply with all the applicable requirements in~~
16 ~~this section and RCW 28B.15.013.))~~, unless the person meets and
17 complies with all applicable requirements in this section and RCW
18 28B.15.013 and is one of the following:

19 (i) A lawful permanent resident;

20 (ii) A temporary resident;

21 (iii) A person who holds "refugee-parolee," "conditional
22 entrant," or U or T nonimmigrant status with the United States
23 citizenship and immigration services;

24 (iv) A person who has been issued an employment authorization
25 document by the United States citizenship and immigration services
26 that is valid as of the date the person's residency status is
27 determined;

28 (v) A person who has been granted deferred action for childhood
29 arrival status before, on, or after the effective date of this
30 section, regardless of whether the person is no longer or will no
31 longer be granted deferred action for childhood arrival status due to
32 the termination, suspension, or modification of the deferred action
33 for childhood arrival program; or

34 (vi) A person who is otherwise permanently residing in the United
35 States under color of law, including deferred action status.

36 (5) The term "domicile" shall denote a person's true, fixed and
37 permanent home and place of habitation. It is the place where the
38 student intends to remain, and to which the student expects to return
39 when the student leaves without intending to establish a new domicile
40 elsewhere. The burden of proof that a student, parent or guardian has

1 established a domicile in the state of Washington primarily for
2 purposes other than educational lies with the student.

3 (6) The term "dependent" shall mean a person who is not
4 financially independent. Factors to be considered in determining
5 whether a person is financially independent shall be set forth in
6 rules adopted by the student achievement council and shall include,
7 but not be limited to, the state and federal income tax returns of
8 the person and/or the student's parents or legal guardian filed for
9 the calendar year prior to the year in which application is made and
10 such other evidence as the council may require.

11 (7) The term "active military duty" means the person is serving
12 on active duty in:

13 (a) The armed forces of the United States government; or

14 (b) The Washington national guard; or

15 (c) The coast guard, merchant mariners, or other nonmilitary
16 organization when such service is recognized by the United States
17 government as equivalent to service in the armed forces.

18 (8) The term "active duty service" means full-time duty, other
19 than active duty for training, as a member of the uniformed services
20 of the United States. Active duty service as a national guard member
21 under Title 32 U.S.C. for the purpose of organizing, administering,
22 recruiting, instructing, or training and active service under 32
23 U.S.C. Sec. 502(f) for the purpose of responding to a national
24 emergency is recognized as active duty service.

25 (9) The term "uniformed services" is defined by Title 10 U.S.C.;
26 subsequently structured and organized by Titles 14, 33, and 42
27 U.S.C.; consisting of the United States army, United States marine
28 corps, United States navy, United States air force, United States
29 coast guard, United States public health service commissioned corps,
30 and the national oceanic and atmospheric administration commissioned
31 officer corps."

E3SHB 1488 - S COMM AMD

By Committee on Higher Education & Workforce Development

ADOPTED 03/01/2018

32 On page 1, line 2 of the title, after "students;" strike the
33 remainder of the title and insert "and amending RCW 28B.118.010,
34 28B.145.030, and 28B.15.012."

EFFECT: Removes appropriation.

--- END ---