ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1311

State of Washington 66th Legislature 2019 Regular Session

By House Appropriations (originally sponsored by Representatives Bergquist, Ortiz-Self, Stonier, Dolan, Frame, Paul, Ryu, Sells, Valdez, Lekanoff, Stanford, Leavitt, Thai, and Wylie)

READ FIRST TIME 03/01/19.

- 1 AN ACT Relating to college bound scholarship eligible students;
- 2 amending RCW 28B.118.040, 28B.118.090, and 28B.92.060; reenacting and
- 3 amending RCW 28B.118.010; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. RCW 28B.118.010 and 2018 c 204 s 1 and 2018 c 12 s 1 are 6 each reenacted and amended to read as follows:
- The office of student financial assistance shall design the 8 Washington college bound scholarship program in accordance with this 9 section and in alignment with the state need grant program in chapter 10 28B.92 RCW unless otherwise provided in this section.
 - (1) "Eligible students" are those students who:
 - (a) Qualify for free or reduced-price lunches.
- (i) If a student qualifies in the seventh <u>or eighth</u> grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter;
- (ii) Beginning in the 2019-20 academic year, if a student qualifies for free or reduced-price lunches in the ninth grade and was previously ineligible during the seventh or eighth grade while he or she was a student in Washington, the student is eligible for the
- 20 college bound scholarship program; or

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p. 1 E2SHB 1311

- (iii) Beginning in the 2020-21 academic year, if a student qualifies for free or reduced-price lunches in the tenth grade and was previously ineligible during the seventh or eighth grade while he or she was a student in Washington, the student is eligible for the college bound scholarship program; or
 - (b) Are dependent pursuant to chapter 13.34 RCW and:
 - (i) In grade seven through twelve; or

- (ii) Are between the ages of eighteen and twenty-one and have not graduated from high school; or
 - (c) Were dependent pursuant to chapter 13.34 RCW and were adopted between the ages of fourteen and eighteen with a negotiated adoption agreement that includes continued eligibility for the Washington state college bound scholarship program pursuant to RCW 74.13A.025.
 - (2) Eligible students and the students' parents or guardians shall be notified of the student's eligibility for the Washington college bound scholarship program ((beginning in the student's seventh grade year)). Students and the students' parents or guardians shall also be notified of the requirements for award of the scholarship.
- (3) (a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a)(i) of this section must sign a pledge during seventh or eighth grade ((that includes)) or a student eligible under subsection (1)(a)(ii) or (iii) of this section must sign a pledge during ninth or tenth grade. The pledge must include a commitment to graduate from high school with at least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.
- (b)(i) Beginning in the 2018-19 academic year, the office of student financial assistance shall make multiple attempts to secure the signature of the student's parent or guardian for the purpose of witnessing the pledge.
- (ii) If the signature of the student's parent or guardian is not obtained, the office of student financial assistance may partner with the school counselor or administrator to secure the parent's or guardian's signature to witness the pledge. The school counselor or administrator shall make multiple attempts via all phone numbers, email addresses, and mailing addresses on record to secure the parent's or guardian's signature. All attempts to contact the parent

p. 2 E2SHB 1311

or guardian must be documented and maintained in the student's official file.

- (iii) If a parent's or guardian's signature is still not obtained, the school counselor or administrator shall indicate to the office of student financial assistance the nature of the unsuccessful efforts to contact the student's parent or guardian and the reasons the signature is not available. Then the school counselor or administrator may witness the pledge unless the parent or guardian has indicated that he or she does not wish for the student to participate in the program.
- (c) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the office of student financial assistance by mail or electronically, as indicated on the form.
- (4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.
- (b) (i) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (e). A student who is eligible to receive the Washington college bound scholarship because the student is a resident student under RCW 28B.15.012(2) (e) must provide the institution, as defined in RCW 28B.15.012, an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses.
- (ii) For eligible children as defined in subsection (1)(b) and (c) of this section, to receive the Washington college bound scholarship, a student must have received a high school equivalency certificate as provided in RCW 28B.50.536 or have graduated with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received

p. 3 E2SHB 1311

home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (e).

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

- (5) A student's family income will be assessed upon graduation before awarding the scholarship. (((+6))) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.
- (6) (a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.
- (b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington or the representative average of awards granted to students in public research universities in Washington in the 2014-15 academic year, whichever is greater.
- (c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington or the representative average of awards granted to students in public community and technical colleges in Washington in the 2014-15 academic year, whichever is greater.
- (7) Recipients may receive no more than four full-time years' worth of scholarship awards.
- (8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.

p. 4 E2SHB 1311

1 (9) The first scholarships shall be awarded to students 2 graduating in 2012.

- (10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.
- (11) The scholarship award must be used within five years of receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.
- 11 (12) Should the recipient terminate his or her enrollment for any 12 reason during the academic year, the unused portion of the 13 scholarship tuition units shall revert to the Washington college 14 bound scholarship account.
- **Sec. 2.** RCW 28B.118.040 and 2018 c 12 s 2 are each amended to 16 read as follows:

The office of student financial assistance shall:

- (1) With the assistance of the office of the superintendent of public instruction, implement and administer the Washington college bound scholarship program;
- (2) Develop and distribute, to all schools with students enrolled in grades seven ((or eight)) through ten, a pledge form that can be completed and returned electronically or by mail by the student or the school to the office of student financial assistance;
- (3) Develop and implement a student application, selection, and notification process for scholarships, which includes working with other state agencies, law enforcement, or the court system to verify that eligible students do not have felony convictions;
- (4) Annually in March, with the assistance of the office of the superintendent of public instruction, distribute to tenth grade college bound scholarship students and their families: (a) Notification that, to qualify for the scholarship, a student's family income may not exceed sixty-five percent of the state median family income at graduation from high school; (b) the current year's value for sixty-five percent of the state median family income; and (c) a statement that a student should consult their school counselor if their family makes, or is projected to make, more than this value before the student graduates;

p. 5 E2SHB 1311

(5) Develop comprehensive social media outreach with grade-level specific information designed to keep students on track to graduate and leverage current tools such as the high school and beyond plan required by the state board of education and the ready set grad web site maintained by the student achievement council;

- (6) Track scholarship recipients to ensure continued eligibility and determine student compliance for awarding of scholarships;
- (7) Within existing resources, collaborate with college access providers and K-12, postsecondary, and youth-serving organizations to map and coordinate mentoring and advising resources across the state;
- (8) Subject to appropriation, deposit funds into the state educational trust fund;
- (9) Purchase tuition units under the advanced college tuition payment program in chapter 28B.95 RCW to be owned and held in trust by the office of student financial assistance, for the purpose of scholarship awards as provided for in this section; and
- (10) Distribute scholarship funds, in the form of tuition units purchased under the advanced college tuition payment program in chapter 28B.95 RCW or through direct payments from the state educational trust fund, to institutions of higher education on behalf of scholarship recipients identified by the office, as long as recipients maintain satisfactory academic progress.
- **Sec. 3.** RCW 28B.118.090 and 2015 c 244 s 6 are each amended to 24 read as follows:
 - (1) Beginning January 1, 2015, and at a minimum every year thereafter, the student achievement council and all institutions of higher education eligible to participate in the college bound scholarship program shall ensure data needed to analyze and evaluate the effectiveness of the college bound scholarship program is promptly transmitted to the education data center created in RCW 43.41.400 so that it is available and easily accessible. The data to be reported should include but not be limited to:
 - (a) The number of students who sign up for the college bound scholarship program in seventh ((or)), eighth, ninth, or tenth grade;
- 35 (b) The number of college bound scholarship students who graduate 36 from high school;
- 37 (c) The number of college bound scholarship students who enroll in postsecondary education;

p. 6 E2SHB 1311

- 1 (d) Persistence and completion rates of college bound scholarship 2 recipients disaggregated by institutions of higher education;
 - (e) College bound scholarship recipient grade point averages;
 - (f) The number of college bound scholarship recipients who did not remain eligible and reasons for ineligibility;
 - (g) College bound scholarship program costs; and
 - (h) Impacts to the state need grant program.

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- 8 (2) Beginning May 12, 2015, and at a minimum every December 1st 9 thereafter, the student achievement council shall submit student unit 10 record data for the college bound scholarship program applicants and 11 recipients to the education data center.
- 12 **Sec. 4.** RCW 28B.92.060 and 2012 c 229 s 558 are each amended to 13 read as follows:

In awarding need grants, the office shall proceed substantially as follows: PROVIDED, That nothing contained herein shall be construed to prevent the office, in the exercise of its sound discretion, from following another procedure when the best interest of the program so dictates:

- (1) The office shall annually select the financial aid award recipients from among Washington residents applying for student financial aid who have been ranked according to:
- (a) College bound scholarship eligibility. Eligible students as defined in RCW 28B.118.010 who meet the requirements in RCW 28B.118.010(4)(b)(i) for the college bound scholarship may not be denied state need grant funding due to institutional policies or delayed awarding of college bound scholarship students. College bound scholarship eligible students whose family income exceeds sixty-five percent of the state median family income, but who are eligible for the state need grant, shall be prioritized and awarded the maximum state need grant for which the student is eligible;
- (b) Financial need as determined by the amount of the family contribution; and
- (((b))) <u>(c)</u> Other considerations, such as whether the student is a former foster youth, or is a placebound student who has completed an associate of arts or associate of science degree or its equivalent.
- (2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are

p. 7 E2SHB 1311

declined, forfeited or otherwise unused shall be reawarded until disbursed, except that eligible former foster youth shall be assured receipt of a grant. The office, in consultation with four-year institutions of higher education, the council, and the state board for community and technical colleges, shall develop award criteria and methods of disbursement based on level of need, and not solely rely on a first-come, first-served basis.

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- (3) A student shall be eligible to receive a state need grant for up to five years, or the credit or clock hour equivalent of five years, or up to one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. Qualifications for renewal will include maintaining satisfactory academic progress toward completion of an eligible program as determined by the office. Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds, except as provided in RCW 28B.92.070.
 - (4) In computing financial need, the office shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions plus the current average state appropriation per student for operating expense in the public institutions. Any child support payments received by students who are parents attending less than half-time shall not be used in computing financial need.
- (5)(a) A student who is enrolled in three to six credit-bearing quarter credits, or the equivalent semester credits, may receive a grant for up to one academic year before beginning a program that leads to a degree or certificate.
- (b) An eligible student enrolled on a less-than-full-time basis shall receive a prorated portion of his or her state need grant for any academic period in which he or she is enrolled on a less-than-full-time basis, as long as funds are available.
- (c) An institution of higher education may award a state need grant to an eligible student enrolled in three to six credit-bearing

p. 8 E2SHB 1311

- 1 quarter credits, or the semester equivalent, on a provisional basis 2 if:
- 3 (i) The student has not previously received a state need grant 4 from that institution;
- 5 (ii) The student completes the required free application for 6 federal student aid;

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- (iii) The institution has reviewed the student's financial condition, and the financial condition of the student's family if the student is a dependent student, and has determined that the student is likely eligible for a state need grant; and
- (iv) The student has signed a document attesting to the fact that the financial information provided on the free application for federal student aid and any additional financial information provided directly to the institution is accurate and complete, and that the student agrees to repay the institution for the grant amount if the student submitted false or incomplete information.
- (6) As used in this section, "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the time he or she attained the age of eighteen.
- NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

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p. 9 E2SHB 1311