

1 1140-S2 AMS HIE S2532.1

2 **2SHB 1140** - 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 (1) The legislature finds that the higher education coordinating  
10 board, in consultation with the higher education community, has  
11 completed a review of the state need grant program. It is the intent  
12 of the legislature to endorse the board's proposed changes to the state  
13 need grant program, including:

14 (a) Reaffirmation that the primary purpose of the state need grant  
15 program is to assist low-income, needy, and disadvantaged Washington  
16 residents attending institutions of higher education;

17 (b) A goal that the base state need grant amount over time be  
18 increased to be equivalent to the rate of tuition charged to resident  
19 undergraduate students attending Washington state public colleges and  
20 universities;

21 (c) State need grant recipients be required to contribute a portion  
22 of the total cost of their education through self-help;

23 (d) State need grant recipients be required to document their need  
24 for dependent care assistance after taking into account other public  
25 funds provided for like purposes; and

26 (e) Institutional aid administrators be allowed to determine  
27 whether a student eligible for a state need grant in a given academic  
28 year may remain eligible for the ensuing year if the student's family  
29 income increases by no more than a marginal amount.

30 (2) The legislature further finds that the higher education  
31 coordinating board, under its authority to implement the proposed  
32 changes in subsection (1) of this section, should do so in a timely  
33 manner.

34 (3) The legislature also finds that:

35 (a) In most circumstances, need grant eligibility should not extend  
36 beyond five years or one hundred twenty-five percent of the published

1 length of the program in which the student is enrolled or the credit or  
2 clock-hour equivalent; and

3 (b) State financial aid programs should continue to adhere to the  
4 principle that funding follows resident students to their choice of  
5 institution of higher education.

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

8 The ~~((sole))~~ purposes of RCW 28B.10.800 through 28B.10.824 ~~((is))~~  
9 are to establish ((a)) the principles upon which the state financial  
10 aid programs will be based and to establish the state of Washington  
11 ~~((student financial aid))~~ state need grant program, thus assisting  
12 financially needy or disadvantaged students domiciled in Washington to  
13 obtain the opportunity of attending an accredited institution of higher  
14 education, as defined in RCW 28B.10.802(1). ~~((Financial aid))~~ State  
15 need grants under RCW 28B.10.800 through 28B.10.824 ~~((is))~~ are  
16 available only to students who are resident students as defined in RCW  
17 28B.15.012(2) (a) through (d).

18 **Sec. 3.** RCW 28B.10.804 and 1995 c 269 s 801 are each amended to  
19 read as follows:

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

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

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

27 (3) The ~~((commission))~~ board shall take the initiative and  
28 responsibility for coordinating all federal student financial aid  
29 programs to ~~((insure))~~ ensure that the state recognizes the maximum  
30 potential effect of these programs, and shall design ~~((the))~~ state  
31 programs ~~((which))~~ that complement~~((s))~~ existing federal, state, and  
32 institutional programs. The board shall ensure that state programs  
33 continue to follow the principle that state financial aid funding  
34 follows the student to the student's choice of institution of higher  
35 education.

36 (4) Counseling is a paramount function of the state need grant and  
37 other state student financial aid programs, and in most cases could

1 only be properly implemented at the institutional levels; therefore,  
2 state student financial aid programs shall be concerned with the  
3 attainment of those goals which, in the judgment of the ((~~commission~~))  
4 board, are the reasons for the existence of a student financial aid  
5 program, and not solely with administration of the program on an  
6 individual basis.

7 (5) The "package" approach of combining loans, grants and  
8 employment for student financial aid shall be the ((~~exceptional~~))  
9 conceptual element of the state's involvement.

10 **Sec. 4.** RCW 28B.10.806 and 1989 c 254 s 3 are each amended to read  
11 as follows:

12 The ((~~commission~~)) board shall have the following powers and  
13 duties:

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

15 (a) Fulfilling educational aspirations of students of the state of  
16 Washington, and

17 (b) Improving the general, social, cultural, and economic character  
18 of the state.

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

24 ((~~(c) This study should include information on the following:~~  
25 ~~(i) all programs and sources of available student financial aid,~~  
26 ~~(ii) distribution of Washington citizens by socio-economic class,~~  
27 ~~(iii) data from federal and state studies useful in identifying:~~  
28 ~~(A) demands of students for specific educational goals in colleges,~~  
29 ~~and~~

30 ~~(B) the discrepancy between high school students' preferences and~~  
31 ~~the colleges they actually selected.))~~

32 (2) Design a state program of student financial aid based on the  
33 data of the study referred to in this section. The state programs will  
34 supplement available federal and local aid programs. The state  
35 programs of student financial aid will not exceed the difference  
36 between the budgetary costs of attending an institution of higher  
37 ((~~learning~~)) education and the student's total resources, including

1 family support, personal savings, employment, and federal, state, and  
2 local aid programs.

3 (3) Determine and establish criteria for financial need of the  
4 individual applicant based upon the consideration of that particular  
5 applicant. In making this determination the (~~commission~~) board shall  
6 consider the following:

7 (a) Assets and income of the student.

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

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

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

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

15 (5) Award financial aid to needy or disadvantaged students for a  
16 school year based upon only that amount necessary to fill the financial  
17 gap between the budgetary cost of attending an institution of higher  
18 education and the family and student contribution.

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

23 **Sec. 5.** RCW 28B.10.808 and 1991 c 164 s 4 are each amended to read  
24 as follows:

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

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

36 (2) The financial need of the highest ranked students shall be met  
37 by grants depending upon the evaluation of financial need until the  
38 total allocation has been disbursed. Funds from grants which are

1 declined, forfeited or otherwise unused shall be reawarded until  
2 dispersed.

3 ~~(3) ((A grant may be renewed until the course of study is~~  
4 ~~completed, but not for more than an additional four academic years~~  
5 ~~beyond the first year of the award. These shall not be required to be~~  
6 ~~consecutive years))~~ A student shall be eligible to receive a state need  
7 grant for up to five years, or the credit or clock hour equivalent of  
8 five years, or up to one hundred twenty-five percent of the published  
9 length of time of the student's program. A student may not start a new  
10 associate degree program as a state need grant recipient until at least  
11 five years have elapsed since earning an associate degree as a need  
12 grant recipient, except that a student may earn two associate degrees  
13 concurrently. Qualifications for renewal will include maintaining  
14 satisfactory academic ((standing)) progress toward completion of ((the  
15 ~~course of study, and continued eligibility))~~ an eligible program as  
16 determined by the ((commission)) board. Should the recipient terminate  
17 his or her enrollment for any reason during the academic year, the  
18 unused portion of the grant shall be returned to the state educational  
19 grant fund by the institution according to the institution's own policy  
20 for issuing refunds, except as provided in RCW 28B.10.8081.

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

26 **Sec. 6.** RCW 28B.10.810 and 1989 c 254 s 5 are each amended to read  
27 as follows:

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

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

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

35 (3) Be enrolled or accepted for enrollment on at least a half-time  
36 basis at an institution of higher education in Washington as defined in  
37 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. 7.** 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."

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15 On page 1, line 1 of the title, after "education;" strike the  
16 remainder of the title and insert "amending RCW 28B.10.800, 28B.10.804,  
17 28B.10.806, 28B.10.808, 28B.10.810, and 28B.10.822; and adding a new  
18 section to chapter 28B.10 RCW."

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