

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE HOUSE BILL 1140

56th Legislature
1999 Regular Session

Passed by the House April 23, 1999
Yeas 96 Nays 0

Speaker of the House of Representatives

Speaker of the House of Representatives

Passed by the Senate April 21, 1999
Yeas 43 Nays 1

President of the Senate

Approved

CERTIFICATE

We, Dean R. Foster and Timothy A. Martin, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 1140** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

Chief Clerk

FILED

Governor of the State of Washington

Secretary of State
State of Washington

SECOND SUBSTITUTE HOUSE BILL 1140

AS AMENDED BY THE SENATE

Passed Legislature - 1999 Regular Session

State of Washington

56th Legislature

1999 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Carlson, Kenney, Radcliff, Lantz, Dunn, Esser, Edmonds, Cooper, Campbell and K. Schmidt)

Read first time 03/08/1999.

1 AN ACT Relating to higher education; amending RCW 28B.10.800,
2 28B.10.804, 28B.10.806, 28B.10.808, 28B.10.810, and 28B.10.822; and
3 adding a new section to chapter 28B.10 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

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

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

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

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

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

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

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

14 (3) The legislature also finds that:

15 (a) In most circumstances, need grant eligibility should not extend
16 beyond five years or one hundred twenty-five percent of the published
17 length of the program in which the student is enrolled or the credit or
18 clock-hour equivalent; and

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

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

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

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

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

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

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

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

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

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

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

28 The (~~commission~~) board shall have the following powers and
29 duties:

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

31 (a) Fulfilling educational aspirations of students of the state of
32 Washington, and

33 (b) Improving the general, social, cultural, and economic character
34 of the state.

35 Such an analysis will be a continuous one and will yield current
36 information relevant to needed improvements in the state program of
37 student financial aid. The (~~commission~~) board will disseminate the

1 information yielded by their analyses to all appropriate individuals
2 and agents.

3 ~~((c) This study should include information on the following:~~
4 ~~(i) all programs and sources of available student financial aid,~~
5 ~~(ii) distribution of Washington citizens by socio-economic class,~~
6 ~~(iii) data from federal and state studies useful in identifying:~~
7 ~~(A) demands of students for specific educational goals in colleges,~~
8 ~~and~~
9 ~~(B) the discrepancy between high school students' preferences and~~
10 ~~the colleges they actually selected.))~~

11 (2) Design a state program of student financial aid based on the
12 data of the study referred to in this section. The state programs will
13 supplement available federal and local aid programs. The state
14 programs of student financial aid will not exceed the difference
15 between the budgetary costs of attending an institution of higher
16 ~~((learning))~~ education and the student's total resources, including
17 family support, personal savings, employment, and federal, state, and
18 local aid programs.

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

23 (a) Assets and income of the student.
24 (b) Assets and income of the parents, or the individuals legally
25 responsible for the care and maintenance of the student.

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

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

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

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

35 (6) Review the need and eligibility of all applications on an
36 annual basis and adjust financial aid to reflect changes in the
37 financial need of the recipients and the cost of attending the
38 institution of higher education.

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

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

8 (1) The ~~((commission))~~ board shall annually select the financial
9 aid award ~~((winners))~~ recipients from among Washington residents
10 applying for student financial aid who have been ranked according to
11 financial need as determined by the amount of the family contribution
12 and other considerations brought to the ~~((commission's))~~ board's
13 attention.

14 (2) The financial need of the highest ranked students shall be met
15 by grants depending upon the evaluation of financial need until the
16 total allocation has been disbursed. Funds from grants which are
17 declined, forfeited or otherwise unused shall be reawarded until
18 dispersed.

19 ~~((A grant may be renewed until the course of study is
20 completed, but not for more than an additional four academic years
21 beyond the first year of the award. These shall not be required to be
22 consecutive years))~~ A student shall be eligible to receive a state need
23 grant for up to five years, or the credit or clock hour equivalent of
24 five years, or up to one hundred twenty-five percent of the published
25 length of time of the student's program. A student may not start a new
26 associate degree program as a state need grant recipient until at least
27 five years have elapsed since earning an associate degree as a need
28 grant recipient, except that a student may earn two associate degrees
29 concurrently. Qualifications for renewal will include maintaining
30 satisfactory academic ~~((standing))~~ progress toward completion of ~~((the
31 course of study, and continued eligibility))~~ an eligible program as
32 determined by the ~~((commission))~~ board. Should the recipient terminate
33 his or her enrollment for any reason during the academic year, the
34 unused portion of the grant shall be returned to the state educational
35 grant fund by the institution according to the institution's own policy
36 for issuing refunds, except as provided in RCW 28B.10.8081.

37 (4) In computing financial need, the ~~((commission))~~ board shall
38 determine a maximum student expense budget allowance, not to exceed an
39 amount equal to the total maximum student expense budget at the public

1 institutions plus the current average state appropriation per student
2 for operating expense in the public institutions.

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

5 For a student to be eligible for (~~financial aid~~) a state need
6 grant a student must:

7 (1) Be a "needy student" or "disadvantaged student" as determined
8 by the (~~commission~~) board in accordance with RCW 28B.10.802 (3) and
9 (4).

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

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

15 (4) Have complied with all the rules and regulations adopted by the
16 (~~commission~~) board for the administration of RCW 28B.10.800 through
17 28B.10.824.

18 **Sec. 7.** RCW 28B.10.822 and 1973 c 62 s 4 are each amended to read
19 as follows:

20 The (~~commission~~) board shall adopt rules (~~and regulations~~) as
21 may be necessary or appropriate for effecting the provisions of RCW
22 28B.10.800 through 28B.10.824 and section 1 of this act, and not in
23 conflict with RCW 28B.10.800 through 28B.10.824, in accordance with the
24 provisions of chapter 34.05 RCW, the (~~state higher education~~)
25 administrative procedure act.

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