

FORM OF ORDER AND TRANSMITTAL BY BOARD, COMMISSION, OR COUNCIL

State of Washington

STATE BOARD FOR COMMUNITY COLLEGE EDUCATION

(name of governing body)

(agency name, if applicable)

Resolution No. 81-35

Administrative Order No. 86

(1) Be it resolved by the State Board for Community College Education acting at Seattle, Washington

that it does promulgate and adopt the annexed rules relating to: operation of the guaranteed student loan program.

(2) ALTERNATIVE A. Use only for Adoption of Permanent Rules. This action is taken pursuant to Notice No. filed with the code reviser on. Such rules shall take effect: [] pursuant to RCW 34.04.040(2). [] at a later date, such date being

(2) ALTERNATIVE B. Use only for Adoption of Emergency Rules. We, the State Board for Community College Education, find that an emergency exists and that the foregoing order is necessary for the preservation of the public health, safety, or general welfare and that observance of the requirements of notice and opportunity to present views on the proposed action would be contrary to public interest. A statement of the facts constituting such emergency is: Chapter 257, Laws of 1981 contains an emergency clause, therefore the loan program created by that section becomes operative immediately. Colleges are required to deposit funds in the loan fund beginning with the current summer quarter. Institutions could approve loans prior to the time the State Board could act upon permanent rules governing the program. It is therefore necessary to adopt emergency rules to cover the immediate operation of the program. Such rules are therefore adopted as emergency rules to take effect upon filing with the code reviser.

(3) Pursuant to the requirements of RCW 34.04. (1977 c 19 § 2) that "every agency shall incorporate the most specific, but in no case omit all, of the following language alternatives when adopting or amending rules" (fill in statement (a), (b), or (c) as appropriate):

[] (a) This rule is promulgated pursuant to RCW Section 9, Chapter 257, Laws of 1981 and is intended to administratively implement that statute.

[] (b) This rule is promulgated pursuant to RCW which directs that the

(agency) has authority to implement the provisions of

(name of act or RCW citation)

[] (c) This rule is promulgated under the general rule-making authority of the

(agency) as authorized in RCW

(4) The undersigned hereby declares that he has complied with the provisions of the Open Public Meetings Act (chapter 42.30 RCW), the Administrative Procedure Act (chapter 34.04 RCW) or the Higher Education Administrative Procedure Act (chapter 28B.19 RCW), as appropriate, and the State Register Act (chapter 34.08 RCW).

(5) This order after being first recorded in the order register of this governing body is herewith transmitted to the Code Reviser for filing pursuant to chapter 34.04 RCW and chapter 1-12 WAC.

STATE OF WASHINGTON FILED

APPROVED AND ADOPTED June 23, 19 81

JUN 25 1981

By Gilbert J. Carbone Assistant Director

CODE REVISER'S OFFICE WSR 81-14-024

NEW SECTION

WAC 131-36-010 INSTITUTIONAL LONG-TERM LOAN FUND--PURPOSE AND INTENT. (1) The purpose of Chapter 131-36 WAC is to implement the institutional long-term loan program established by section 9, chapter 257, Laws of 1981.

(2) In addition to the other responsibilities established in Chapter 131-36 WAC, the state director of community colleges shall do all things necessary to implement the loan program at the earliest possible time.

NEW SECTION

WAC 131-36-100 ELIGIBILITY. (1) Loans from the fund shall be made only to resident, needy students who are enrolled for six or more credit hours of instruction or the equivalent thereof, except as otherwise provided in this section.

(2) The following individuals who have been granted statutory resident status for tuition and fee purposes pursuant to RCW 28B.15.014 and RCW 28B.15.553 shall not be eligible to receive loans from the fund:

(a) Persons employed twenty hours or more per week at a Washington public higher education institution and their children and spouses;

(b) Military and federal employees residing or stationed in the state of Washington and their children or spouses;

(c) Veterans, as defined by RCW 41.04.005, whose final permanent duty station was in the state of Washington, so long as such veteran is receiving federal vocational or educational benefits concurred by virtue of his or her military service;

(d) Nonimmigrant aliens residing in the state of Washington pursuant to a treaty of commerce and navigation and their children and spouses.

(3) No individual shall be eligible for a loan from the fund unless he or she shall have applied for and been refused an educational loan from a private financial institution in the state of Washington for the enrollment period proposed to be covered by the request loan from the fund.

NEW SECTION

WAC 131-36-150 LIMITATION ON AMOUNT OF LOANS--NEEDS ANALYSIS. (1) No loans shall be made from the fund in an amount that exceeds the demonstrated financial need of an eligible student.

(2) For purposes of this section, demonstrated financial need shall be the amount remaining when the assets and income of an independent student or the assets and income of a dependent student and his or her parents or family as computed using uniform methodology are subtracted from estimated costs of required tuition fees, books, supplies, living expenses, and transportation related to attendance at the institution.

NEW SECTION

WAC 131-36-200 TERMS AND CONDITIONS OF LOANS ISSUED TO NEEDY STUDENTS. (1) The terms and conditions of loans made from the fund shall be the same as those set forth by the WSLGA and federal guaranteed student loan regulations.

NEW SECTION

WAC 131-36-250 COLLECTING AND SERVICING LOANS. (1) Community colleges shall utilize the loan collecting and servicing agency designated by the state board for community college education and the WSLGA.

(2) The state director of community colleges shall determine and designate on behalf of the state board an appropriate entity to conduct servicing and collection activities with regard to loans made from the fund.

(3) The state director of community colleges shall, when he determines that it is in the best interest of the college system, determine and designate on behalf of the state board an appropriate entity to perform promissory note and check writing activities related to loans authorized by community colleges from the fund.

NEW SECTION

WAC 131-36-300 INVESTMENT OF FUND PRINCIPAL. (1) Monies in the fund not committed to loans may be invested by each college for periods of time not exceeding one year.

(2) Investment of monies from the fund shall be confined to certificates, notes, or bonds of the United States or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States.

(3) Colleges shall comply with all other laws or regulations regarding the investment of state funds when investing uncommitted portions of the fund.

(4) Interest earned through such investments shall be credited to the fund.