

2 **SHB 2729 - H AMD 0289 ADOPTED 3-3-92**

3 By Representatives Jacobsen, Rasmussen, Prince, Van Luven, Odgen,  
4 Wood, Miller, Ludwig, Zellinsky, Basich, Spanel, Dorn,  
5 Dellwo, Sheldon, R. Meyers and Fraser

6

7 Strike everything after the enacting clause and insert the  
8 following:

9 "NEW SECTION. Sec. 1. It is the intent of the legislature to  
10 restructure and fully fund the state's system of financial aid. The  
11 restructured financial aid system shall be known as college promise."

12 "NEW SECTION. Sec. 2. (1) The higher education coordinating  
13 board shall restructure the state's financial aid programs into a  
14 comprehensive and coordinated system of assistance known as college  
15 promise. College promise shall expand and modify three existing  
16 programs for needy students: The state need grant program under RCW  
17 28B.10.790 through 28B.10.824; the state work study program under  
18 chapter 28B.12 RCW; and the educational opportunity grant program under  
19 chapter 28B.101 RCW. In addition, college promise shall include the  
20 revised future teachers conditional scholarship program under chapter  
21 28B.102 RCW, and may include a demonstration project to assist needy  
22 students whose parents did not attend an institution of higher  
23 education. College promise shall be implemented beginning in the 1993-  
24 94 academic year.

25 (2) By December 1, 1992, the higher education coordinating board,  
26 in consultation with the house of representatives and senate higher  
27 education and fiscal committees, and the institutions of higher  
28 education, shall develop a detailed implementation plan for college

1 promise. In preparing the plan, the board shall follow the goals and  
2 priorities set forth in sections 3 and 4 of this act. The plan shall  
3 include, but not be limited to:

4 (a) Specific program eligibility measures and application  
5 procedures for the new populations of state financial aid recipients  
6 identified in section 3 of this act;

7 (b) Specific need analysis criteria and asset protection  
8 allowances;

9 (c) Estimates of how many state residents, both those who are  
10 currently enrolled in a college or university, and those not currently  
11 enrolled, would be eligible and would apply for aid under the expanded  
12 eligibility criteria identified in section 3 of this act. The  
13 estimates shall take into account state economic and demographic  
14 factors and information obtained through a survey of potential new aid  
15 applicants;

16 (d) Estimates of where the new aid applicants identified under (c)  
17 of this subsection would choose to enroll by type of institution and  
18 level of program;

19 (e) Estimates of the costs for each state financial aid program,  
20 including the state need grant program under RCW 28B.10.790 through  
21 28B.10.824; the state work study program under chapter 28B.12 RCW; the  
22 educational opportunity grant program under chapter 28B.101 RCW; and  
23 the future teachers conditional scholarship program under chapter  
24 28B.102 RCW, to accommodate any new aid applicants estimated under (c)  
25 of this subsection, as offset by nonstate sources of aid. Separate  
26 cost estimates shall be made for each of the new aid populations  
27 identified under section 3 of this act;

28 (f) Estimates of the cost to increase budgeted levels of enrollment  
29 at public college and universities to accommodate the new aid  
30 applicants estimated under (d) of this subsection.

1 (3) The cost estimates completed under subsection (2) of this  
2 section shall be the basis for determining funding levels for state  
3 financial aid programs for each year of the 1993-95 biennium.

4 (4) The methodologies used to estimate costs under subsection (2)  
5 of this section shall be used for the annual cost estimates required  
6 under section 5 of this act.

7 (5) The plan completed under subsection (2) of this section shall  
8 be deemed approved on June 30, 1993, unless legislation is enacted to  
9 alter the policies set forth in the plan. The board shall also propose  
10 to the legislature any changes to the laws governing state financial  
11 aid programs that it deems necessary to accomplish the purposes of  
12 college promise."

13 "NEW SECTION. Sec. 3. In restructuring the state's financial  
14 aid programs, the higher education coordinating board shall follow  
15 these goals:

16 (1) For all need-based financial aid programs under RCW 28B.10.790  
17 through 28B.10.824, chapter 28B.12 RCW, and chapter 28B.101 RCW:

18 (a) Through a mix of federal, state, and other resources:

19 (i) Limit student debt to no more than one-half of a student's cost  
20 of attendance; and

21 (ii) Provide more self-help opportunities than grant aid to middle-  
22 income students, and approximately equal amounts of self-help  
23 opportunities and grant aid to low-income and lower middle-income  
24 students. Self-help opportunities include work study and loans;

25 (b) In determining eligibility for state financial aid programs,  
26 shelter home equity on a family's principal place of residence, and  
27 shelter a reasonable portion of savings and farm or business net worth,  
28 each insofar as is permissible under state and federal law;

1 (c) Simplify the financial aid application process for low-income  
2 students with limited assets;

3 (d) Strive to preserve a range of educational options for needy  
4 students, including choice of institutions and programs;

5 (e) Recognize otherwise unfunded equipment and assistance needed to  
6 reasonably accommodate students with disabilities; and

7 (f) Deliver clear and timely information to current and future  
8 postsecondary students about the costs of attending college and  
9 available financial aid.

10 (2) For the state need grant program under RCW 28B.10 790 through  
11 28B.10.824: As funds are available, expand the program to include new  
12 populations of resident students in the following priority order:

13 (a) Low-income undergraduates;

14 (b) Lower middle-income undergraduates;

15 (c) Middle-income undergraduates; and

16 (d) Resident graduate and professional students, following the  
17 income priorities established for undergraduate students.

18 (3) For the state work study program under chapter 28B.12 RCW:  
19 Increase employment opportunities including off-campus job  
20 opportunities with community service employers.

21 (4) For the future teachers' conditional scholarship program under  
22 chapter 28B.102 RCW: Expand program eligibility to include teachers  
23 pursuing a master's degree for continuing certification.

24 (5) For students whose parents did not attend college: Determine  
25 the feasibility of providing grants to needy first generation  
26 scholars."

27 "NEW SECTION. **Sec. 4.** In implementing the goals for expanding  
28 financial aid to needy undergraduate students, the board shall be  
29 guided by the following matrix. The matrix defines income levels, and

1 for each level, specifies the application requirement, the funding  
 2 priority, and the assistance mix goal. Income levels shall be adjusted  
 3 annually for family size and changes in the state's median income.

4 Implementation Matrix for Assistance to  
 5 Needy Undergraduate Students

6 Classification:	Low-income	Lower middle-income	Middle-income
7 Family 8 Income: 9 (1990 Dollars)	0-\$19,599	\$19,600-\$29,499	\$29,500-\$49,200
10 Percentage 11 of State 12 Median 13 Income:	Fifty percent	Fifty-one to seventy-five percent	Seventy-six to one hundred twenty-five percent
14 Aid 15 Application:	May qualify for simplified form	Full need analysis required	Full need analysis required
17 Priority 18 for 19 Receiving 20 Grants:	First	Second	Third
21 Assistance 22 Mix 23 Goal:	One-half grants	One-half grants	One-third grants
24 25 26	One-half work study and loans	One-half work study and loans	Two-thirds work study and loans"

27 "NEW SECTION. Sec. 5. By September 1st of each even-numbered  
 28 year, the higher education coordinating board shall adopt an estimate  
 29 of the amount of funding, annualized for each fiscal year, that will be  
 30 needed during the ensuing biennium to fully fund each of the state's  
 31 student financial aid programs under RCW 28B.10.210 through 28B.10.220,  
 32 28B.10.790 through 28B.10.824, chapter 28B.12 RCW, chapter 28B.101 RCW,  
 33 chapter 28B.102 RCW, and, if funded, the first generation scholars  
 34 demonstration project. The board shall report its findings to the

1 governor, and the house of representatives and senate fiscal and higher  
2 education committees."

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

5 In administering the state student financial aid program, also  
6 known as the state need grant program, under RCW 28B.10.790 through  
7 28B.10.824, the higher education coordinating board shall proceed  
8 substantially as follows unless it determines that a modification is  
9 required in order to conform with federal law or to improve the  
10 administration of the program, consistent with the purposes of this  
11 chapter.

12 (1) Define and assist additional populations of needy students as  
13 funding becomes available, in the priority order specified in section  
14 3(2) of this act, and using income level classification definitions as  
15 described in section 4 of this act.

16 (2) In calculating eligibility for aid, where not otherwise  
17 inconsistent with federal or state law, shelter home equity on a  
18 family's principal place of residence and shelter a reasonable amount  
19 of savings and a reasonable portion of farm or business net worth, in  
20 order to equitably evaluate family ability to pay.

21 (3) To the extent feasible, adjust the student budget of a needy  
22 student with disabilities to reflect otherwise unfunded equipment or  
23 assistance needed to reasonably accommodate the student in a  
24 postsecondary education or training program."

25 **"Sec. 7.** RCW 28B.102.020 and 1987 c 437 s 2 are each amended to  
26 read as follows:

27 Unless the context clearly requires otherwise, the definitions in  
28 this section apply throughout this chapter.

1 (1) "Conditional scholarship" means a loan that is forgiven in  
2 whole or in part if the recipient renders service as a teacher in the  
3 public schools of this state.

4 (2) "Institution of higher education" or "institution" means a  
5 college or university in the state of Washington which is accredited by  
6 an accrediting association recognized as such by rule of the higher  
7 education coordinating board.

8 (3) "Board" means the higher education coordinating board.

9 (4) "Eligible student" means a student who is registered for at  
10 least ten credit hours or the equivalent, demonstrates achievement of  
11 at least a 3.30 grade point average for students entering an  
12 institution of higher education directly from high school or maintains  
13 at least a 3.00 grade point average or the equivalent for each academic  
14 year in an institution of higher education, is a resident student as  
15 defined by RCW 28B.15.012 through 28B.15.015, and has a declared  
16 intention to complete an approved preparation program leading to  
17 initial teacher certification or required for earning an additional  
18 endorsement, or a college or university graduate who meets the same  
19 credit hour requirements and is seeking an additional teaching  
20 endorsement or initial teacher certification. "Eligible student" also  
21 means a teacher seeking a master's degree if the degree is required for  
22 continuing certification.

23 (5) "Public school" means an elementary school, a middle school,  
24 junior high school, or high school within the public school system  
25 referred to in Article IX of the state Constitution.

26 (6) "Forgiven" or "to forgive" or "forgiveness" means to render  
27 service as a teacher at a public school in the state of Washington in  
28 lieu of monetary repayment.

29 (7) "Satisfied" means paid-in-full.

1 (8) "Participant" means an eligible student who has received a  
2 conditional scholarship under this chapter.

3 (9) "Targeted ethnic minority" means a group of Americans with a  
4 common ethnic or racial heritage selected by the board for program  
5 consideration due to societal concerns such as high dropout rates or  
6 low rates of college participation by members of the group."

7 "Sec. 8. RCW 28B.102.050 and 1987 c 437 s 5 are each amended to  
8 read as follows:

9 The board may award conditional scholarships to eligible students  
10 from (~~the funds~~) moneys appropriated to the board for this purpose,  
11 or from any private donations, or any other (~~funds~~) moneys given to  
12 the board for this program. The amount of the conditional scholarship  
13 awarded an individual shall not exceed three thousand dollars per  
14 academic year. Students are eligible to receive conditional  
15 scholarships for a maximum of five years. The amount of the  
16 conditional scholarship awarded to any eligible student pursuing a  
17 master's degree for continuing certification shall not exceed the  
18 lesser of the student's cost of tuition or twenty-five hundred dollars  
19 per year. Grants awarded to any one student pursuing a master's degree  
20 for continuing certification shall not exceed a total of five thousand  
21 dollars."

22 "Sec. 9. RCW 28B.101.040 and 1990 c 288 s 6 are each amended to  
23 read as follows:

24 Grants may be used by eligible participants to attend any public or  
25 private college or university in the state of Washington that is  
26 accredited by an accrediting association recognized by rule of the  
27 higher education coordinating board and that has an existing unused  
28 capacity. Grants shall not be used to attend any branch campus or



1 educational program established under chapter 28B.45 RCW. The  
2 participant shall not be eligible for a grant if it will be used for  
3 any programs that include religious worship, exercise, or instruction  
4 or to pursue a degree in theology. Each participating student may  
5 receive up to two thousand five hundred dollars per academic year, not  
6 to exceed the student's demonstrated financial need for the course of  
7 study."

8 "NEW SECTION. Sec. 10. With the exception of institutions of  
9 higher education as defined in RCW 28B.10.016, an institution of  
10 postsecondary education that enrolls students receiving state-funded  
11 financial aid shall match the total amount of the state financial aid  
12 funds received by all enrolled students at that institution with an  
13 equal amount of institutionally raised grant funds from private  
14 sources. The higher education coordinating board shall adopt rules to  
15 implement this requirement. The rules shall ensure that all  
16 institutional matching grant funds go to students who are residents of  
17 the state as defined in RCW 28B.15.011 through 28B.15.013 and are needy  
18 as defined in RCW 28B.10.802(3)."

19 **"Sec. 11.** RCW 28B.12.040 and 1985 c 370 s 58 are each amended to  
20 read as follows:

21 The higher education coordinating board shall develop and  
22 administer the college work-study program and shall be authorized to  
23 enter into agreements with employers and eligible institutions for the  
24 operation of the program. These agreements shall include such  
25 provisions as the higher education coordinating board may deem  
26 necessary or appropriate to carry out the purposes of this chapter.

27 With the exception of off-campus community service placements, the  
28 share from ((funds)) moneys disbursed under the college work-study

1 program of the compensation of students employed under such program in  
2 accordance with such agreements shall not exceed eighty percent of the  
3 total such compensation paid such students.

4 By rule, the board shall define community service placements and  
5 may determine any salary matching requirements for any community  
6 service employers."

7 "NEW SECTION. Sec. 12. Sections 1 through 5 and 10 of this act  
8 shall constitute a new chapter in Title 28B RCW."

9 "NEW SECTION. Sec. 13. RCW 28B.15.065 and 1977 ex.s. c 322 s 6  
10 as now existing or hereafter amended are repealed June 30, 1993."

11 "NEW SECTION. Sec. 14. (1) Sections 1 through 3 of this act  
12 shall take effect July 1, 1992.

13 (2) Sections 4 through 11 of this act shall take effect July 1,  
14 1993."

15 "NEW SECTION. Sec. 15. If any provision of this act or its  
16 application to any person or circumstance is held invalid, the  
17 remainder of the act or the application of the provision to other  
18 persons or circumstances is not affected."

19 "NEW SECTION. Sec. 16. The sum of one hundred thousand dollars,  
20 or as much thereof as may be necessary, is appropriated from the  
21 general fund to the higher education coordinating board, for the  
22 biennium ending June 30, 1993, to complete the plan required under  
23 section 2 of this act."

1 **SHB 2729** - H AMD  
2 By Representative

3 On page 1, line 1 of the title, after "aid;" strike the remainder  
4 of the title and insert "amending RCW 28B.102.020, 28B.102.050,  
5 28B.101.040, and 28B.12.040; adding a new section to chapter 28B.10  
6 RCW; adding a new chapter to Title 28B RCW; repealing RCW 28B.15.065;  
7 making an appropriation; and providing effective dates."