
HOUSE BILL 1603

State of Washington

53rd Legislature

1993 Regular Session

By Representatives Locke, Jacobsen, Quall, Shin, R. Johnson, Zellinsky, Pruitt, Carlson, Jones, Basich, Wang, Patterson, Thibaudeau, R. Meyers, Kessler, Bray, Campbell, Dorn, G. Fisher, Springer, Karahalios, Roland, Eide, Sheldon, Finkbeiner, Ogden, Orr, Wineberry, Voloria, Morris, Hansen and Wolfe

Read first time 02/03/93. Referred to Committee on Higher Education.

1 AN ACT Relating to higher education; amending RCW 28B.15.031,
2 28B.15.065, 28B.15.067, 28B.15.070, 28B.15.202, 28B.15.402, 28B.15.502,
3 43.88.140, 28B.101.040, and 28B.12.040; adding new sections to chapter
4 28B.15 RCW; adding new sections to chapter 28B.10 RCW; adding new
5 sections to chapter 28B.80 RCW; creating new sections; and making an
6 appropriation.

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

8 NEW SECTION. **Sec. 1.** This act shall be known as the higher
9 education access act.

10 **Sec. 2.** RCW 28B.15.031 and 1987 c 15 s 2 are each amended to read
11 as follows:

12 The term "operating fees" as used in this chapter shall include the
13 fees, other than building fees, charged all students registering at the
14 state's colleges and universities but shall not include fees for short
15 courses, self-supporting degree credit programs and courses, marine
16 station work, experimental station work, correspondence or extension
17 courses, and individual instruction and student deposits or rentals,
18 disciplinary and library fines, which colleges and universities shall

1 have the right to impose, laboratory, gymnasium, health, and student
2 activity fees, or fees, charges, rentals, and other income derived from
3 any or all revenue producing lands, buildings and facilities of the
4 colleges or universities heretofore or hereafter acquired, constructed
5 or installed, including but not limited to income from rooms,
6 dormitories, dining rooms, hospitals, infirmaries, housing or student
7 activity buildings, vehicular parking facilities, land, or the
8 appurtenances thereon, or such other special fees as may be established
9 by any college or university board of trustees or regents from time to
10 time. All moneys received as operating fees at any institution of
11 higher education shall be ~~((transmitted to the state treasurer within
12 thirty-five days of receipt to be deposited in the state general fund))~~
13 deposited in a local account containing only operating fees revenue and
14 related interest: PROVIDED, That two and one-half percent of moneys
15 received as operating fees be exempt from such deposit and be retained
16 by the institutions for the purposes of RCW 28B.15.820(~~(:—PROVIDED~~
17 ~~FURTHER, That money received by institutions of higher education from~~
18 ~~the periodic payment plan authorized by RCW 28B.15.411 shall be~~
19 ~~transmitted to the state treasurer within five days following the close~~
20 ~~of registration of the appropriate quarter or semester))~~).

21 **Sec. 3.** RCW 28B.15.065 and 1977 ex.s. c 322 s 6 are each amended
22 to read as follows:

23 It is the intent of the legislature that needy students not be
24 deprived of access to higher education due to increases in educational
25 costs or consequent increases in tuition (~~and~~) fees. It is the sense
26 of the legislature that state appropriations for student financial aid
27 be adjusted in an amount which together with funds estimated to be
28 available in the form of basic educational opportunity grants as
29 authorized under Section 411 of the federal Higher Education Act of
30 1965 as now or hereafter amended will equal ~~((twenty-four percent of~~
31 ~~any change in revenue estimated to occur as a result of revisions in~~
32 ~~tuition and fee levels under the provisions of this 1977 amendatory~~
33 ~~act))~~ at least ten percent of the state general fund appropriations for
34 higher education. State general fund appropriations to higher
35 education include but are not limited to state general fund
36 appropriations for colleges, universities, work force training, and
37 state agencies whose primary responsibility includes the coordination

1 or governance of education and training of students in postsecondary
2 education and training programs.

3 **Sec. 4.** RCW 28B.15.067 and 1992 c 231 s 4 are each amended to read
4 as follows:

5 (1) By June 1st of each year, the governing boards of the state
6 universities, the regional universities, and The Evergreen State
7 College, and the state board for community and technical colleges shall
8 set tuition fees as necessary for the operation of the respective
9 institutions and colleges, subject to any minimum and maximum tuition
10 fee amounts established under this chapter. Minimum and maximum
11 tuition fees shall be established and adjusted annually under the
12 provisions of this chapter beginning with the ((1987-88)) 1993-94
13 academic year. ((Such fees shall be identical, subject to other
14 provisions of this chapter, for students enrolled at either state
15 university, for students enrolled at the regional universities and The
16 Evergreen State College and for students enrolled at any community
17 college. Tuition fees shall reflect the undergraduate and graduate
18 educational costs of the state universities, the regional universities
19 and the community colleges, respectively, in the amounts prescribed in
20 this chapter.)) Tuition rates may vary by term, and tuition rates for
21 graduate programs may vary by program.

22 (2) The tuition fees established under this chapter shall not apply
23 to high school students enrolling in community colleges under RCW
24 28A.600.300 through 28A.600.395.

25 **Sec. 5.** RCW 28B.15.070 and 1992 c 231 s 5 are each amended to read
26 as follows:

27 (1) The higher education coordinating board, in consultation with
28 the house of representatives and senate committees responsible for
29 higher education, the respective fiscal committees of the house of
30 representatives and senate, the office of financial management, and the
31 state institutions of higher education, shall develop by December of
32 every fourth year beginning in 1989, definitions, criteria, and
33 procedures for determining the undergraduate and graduate educational
34 costs for the state universities, regional universities, and community
35 colleges upon which minimum and maximum tuition fees will be based.

36 (2) Every four years, the state institutions of higher education in
37 cooperation with the higher education coordinating board shall perform

1 an educational cost study pursuant to subsection (1) of this section.
2 The study shall be conducted based on every fourth academic year
3 beginning with 1989-90. Institutions shall complete the studies within
4 one year of the end of the study year and report the results to the
5 higher education coordinating board for consolidation, review, and
6 distribution.

7 (3) In order to conduct the study required by subsection (2) of
8 this section, the higher education coordinating board, in cooperation
9 with the institutions of higher education, shall develop a methodology
10 that requires the collection of comparable educational cost data, which
11 utilizes a faculty activity analysis or similar instrument.

12 (4) Based on the most recent cost study, the higher education
13 coordinating board shall determine annual minimum and maximum tuition
14 and fees.

15 **Sec. 6.** RCW 28B.15.202 and 1992 c 231 s 7 are each amended to read
16 as follows:

17 Minimum and maximum tuition fees and maximum services and
18 activities fees at the University of Washington ((and at Washington
19 State University)) for other than the summer term shall be as follows:

20 (1) For full-time resident undergraduate students ((and all other
21 full-time resident students not in graduate study programs or enrolled
22 in programs leading to the degrees of doctor of medicine, doctor of
23 dental surgery, and doctor of veterinary medicine)) who have
24 accumulated fewer than two hundred forty quarter credits or their
25 equivalent, the maximum total tuition fees shall be thirty-three and
26 one-third percent of the per student undergraduate educational costs at
27 the state universities computed as provided in RCW 28B.15.067 and
28 28B.15.070: PROVIDED, That the building fees for each academic year
29 shall be ((one hundred and twenty dollars)) six percent of total
30 tuition fees.

31 (2) For full-time resident undergraduate students who do not meet
32 the requirements of subsection (1) of this section, and full-time
33 resident postbaccalaureate students not enrolled in graduate or law
34 programs or in programs leading to degrees of doctor of medicine or
35 doctor of dental surgery, the minimum total tuition fees shall be one
36 hundred percent of the per student undergraduate educational costs at
37 the state universities computed as provided in RCW 28B.15.067 and

1 28B.15.070: PROVIDED, That the building fees for each academic year
2 shall be six percent of total tuition fees.

3 ~~((+2))~~ (3) For full-time resident graduate and law students not
4 enrolled in programs leading to the degrees of doctor of medicine~~((,))~~
5 and doctor of dental surgery~~((, and doctor of veterinary medicine))~~,
6 the minimum total tuition fees shall be twenty-three percent of the per
7 student graduate educational costs at the state universities computed
8 as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the
9 building fees for each academic year shall be ~~((one hundred and twenty~~
10 ~~dollars))~~ four percent of total tuition fees.

11 ~~((+3))~~ (4) For full-time resident students enrolled in programs
12 leading to the degrees of doctor of medicine~~((,))~~ and doctor of dental
13 surgery, ~~((and doctor of veterinary medicine,))~~ the total minimum
14 tuition fees shall be one hundred sixty-seven percent of such fees
15 charged in subsection ~~((+2))~~ (3) of this section: PROVIDED, That the
16 building fees for each academic year shall be ~~((three hundred and~~
17 ~~forty two dollars))~~ six percent of total tuition fees.

18 ~~((+4))~~ (5) For full-time nonresident undergraduate students and
19 ~~((such))~~ other full-time nonresident students not in graduate study
20 programs or enrolled in programs leading to the degrees of doctor of
21 medicine~~((,))~~ and doctor of dental surgery~~((, or doctor of veterinary~~
22 ~~medicine))~~, the minimum total tuition fees shall be one hundred percent
23 of the per student undergraduate educational costs at the state
24 universities computed as provided in RCW 28B.15.067 and 28B.15.070:
25 PROVIDED, That the building fees for each academic year shall be
26 ~~((three hundred and fifty four dollars))~~ six percent of total tuition
27 fees.

28 ~~((+5))~~ (6) For full-time nonresident graduate and law students not
29 enrolled in programs leading to the degrees of doctor of medicine~~((,))~~
30 and doctor of dental surgery~~((, and doctor of veterinary medicine))~~,
31 the minimum total tuition fees shall be sixty percent of the per
32 student graduate educational costs at the state universities computed
33 as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the
34 building fees for each academic year shall be ~~((three hundred and~~
35 ~~fifty four dollars))~~ four percent of total tuition fees.

36 ~~((+6))~~ (7) For full-time nonresident students enrolled in programs
37 leading to the degrees of doctor of medicine~~((,))~~ and doctor of dental
38 surgery~~((, and doctor of veterinary medicine,))~~ the minimum total
39 tuition fees shall be one hundred sixty-seven percent of such fees

1 charged in subsection ~~((+5))~~ (6) of this section: PROVIDED, That the
2 building fees for each academic year shall be ~~((five hundred and
3 fifty five dollars.~~

4 ~~(+7))~~ four percent of total tuition fees.

5 (8) The governing board~~((s))~~ of the ~~((state universities))~~
6 University of Washington shall charge to and collect from each student,
7 a services and activities fee. The governing board may increase the
8 existing fee annually, consistent with budgeting procedures set forth
9 in RCW 28B.15.045, by a percentage not to exceed the annual percentage
10 increase in resident undergraduate tuition fees: PROVIDED, That such
11 percentage increase shall not apply to that portion of the services and
12 activities fee previously committed to the repayment of bonded debt.
13 The services and activities fee committee provided for in RCW
14 28B.15.045 may initiate a request to the governing board for a fee
15 increase.

16 NEW SECTION. Sec. 7. A new section is added to chapter 28B.15 RCW
17 to read as follows:

18 Minimum and maximum tuition fees and maximum services and
19 activities fees at Washington State University for other than the
20 summer term shall be as follows:

21 (1) For full-time resident undergraduate students who have
22 accumulated fewer than one hundred sixty semester credits or their
23 equivalent, the maximum total tuition fees shall be thirty-three and
24 one-third percent of the per student undergraduate educational costs at
25 the state universities computed as provided in RCW 28B.15.070:
26 PROVIDED, That the building fees for each academic year shall be six
27 percent of total tuition fees.

28 (2) For full-time resident undergraduate students who do not meet
29 the requirements of subsection (1) of this section and full-time
30 resident postbaccalaureate students not enrolled in graduate programs
31 or in programs leading to the degree of doctor of veterinary medicine,
32 the minimum total tuition fees shall be one hundred percent of the per
33 student undergraduate educational costs at the state universities
34 computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That
35 the building fees for each academic year shall be six percent of total
36 tuition fees.

37 (3) For full-time resident graduate students not enrolled in
38 programs leading to the degree of doctor of veterinary medicine, the

1 minimum total tuition fees shall be twenty-three percent of the per
2 student graduate educational costs at the state universities computed
3 as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the
4 building fees for each academic year shall be four percent of total
5 tuition fees.

6 (4) For full-time resident students enrolled in programs leading to
7 the degree of doctor of veterinary medicine, the minimum total tuition
8 fees shall be one hundred sixty-seven percent of such fees charged in
9 subsection (3) of this section: PROVIDED, That the building fees for
10 each academic year shall be six percent of total tuition fees.

11 (5) For full-time nonresident undergraduate students and
12 nonresident students not in graduate study programs or enrolled in
13 programs leading to the degree of doctor of veterinary medicine, the
14 minimum total tuition fees shall be one hundred percent of the per
15 student undergraduate educational costs at the state universities
16 computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That
17 the building fees for each academic year shall be six percent of total
18 tuition fees.

19 (6) For full-time nonresident graduate students not enrolled in
20 programs leading to the degree of doctor of veterinary medicine, the
21 minimum total tuition fees shall be sixty percent of the per student
22 graduate educational costs at the state universities computed as
23 provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building
24 fees for each academic year shall be four percent of total tuition
25 fees.

26 (7) For full-time nonresident students enrolled in programs leading
27 to the degree of doctor of veterinary medicine, the minimum total
28 tuition fees shall be one hundred sixty-seven percent of such fees
29 charged in subsection (6) of this section: PROVIDED, That the building
30 fees for each academic year shall be four percent of total tuition
31 fees.

32 (8) The governing board of Washington State University shall charge
33 to and collect from each student a services and activities fee. The
34 governing board may increase the existing fee, consistent with
35 budgeting procedures set forth in RCW 28B.15.045, by a percentage not
36 to exceed the annual percentage increase in resident undergraduate
37 tuition fees: PROVIDED, That such percentage increase shall not apply
38 to that portion of the services and activities fee previously committed
39 to the repayment of bonded debt. The services and activities fee

1 committee provided for in RCW 28B.15.045 may initiate a request to the
2 governing board for a fee increase.

3 **Sec. 8.** RCW 28B.15.402 and 1992 c 231 s 10 are each amended to
4 read as follows:

5 Minimum and maximum tuition fees and maximum services and
6 activities fees at the regional universities and The Evergreen State
7 College for other than the summer term shall be as follows:

8 (1) For full-time resident undergraduate students (~~((and all other~~
9 ~~full-time resident students not in graduate study programs))~~ who have
10 accumulated fewer than two hundred forty credits or their equivalent,
11 the maximum total tuition fees shall be twenty-five percent of the per
12 student undergraduate educational costs at the regional universities
13 computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That
14 the building fees for each academic year shall be (~~(seventy-six dollars~~
15 ~~and fifty cents))~~ five percent of total tuition fees.

16 (2) For full-time resident undergraduate students who do not meet
17 the requirements of subsection (1) of this section and full-time
18 resident postbaccalaureate students not enrolled in graduate programs,
19 the minimum total tuition fees shall be one hundred percent of the per
20 student undergraduate educational costs at the state universities
21 computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That
22 the building fees for each academic year shall be five percent of total
23 tuition fees.

24 (3) For full-time resident graduate students, the minimum total
25 tuition fees shall be twenty-three percent of the per student graduate
26 educational costs at the regional universities computed as provided in
27 RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for
28 each academic year shall be (~~(seventy-six dollars and fifty cents))~~
29 three percent of total tuition fees.

30 (~~((+3))~~) (4) For full-time nonresident undergraduate students and
31 all other full-time postbaccalaureate students and nonresident students
32 not in graduate study programs, the minimum total tuition fees shall be
33 one hundred percent of the per student undergraduate educational costs
34 at the regional universities computed as provided in RCW 28B.15.067 and
35 28B.15.070: PROVIDED, That the building fees for each academic year
36 shall be (~~(two hundred and ninety-five dollars and fifty cents))~~ five
37 percent of total tuition fees.

1 (~~(4)~~) (5) For full-time nonresident graduate students, the
2 minimum total tuition fees shall be seventy-five percent of the per
3 student graduate educational costs at the regional universities
4 computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That
5 the building fees for each academic year shall be (~~two hundred and~~
6 ~~ninety five dollars and fifty cents~~) four percent of total tuition
7 fees.

8 (~~(5)~~) (6) The governing boards of each of the regional
9 universities and The Evergreen State College shall charge to and
10 collect from each student, a services and activities fee. The
11 governing board may increase the existing fee annually, consistent with
12 budgeting procedures set forth in RCW 28B.15.045, by a percentage not
13 to exceed the annual percentage increase in resident undergraduate
14 tuition fees: PROVIDED, That such percentage increase shall not apply
15 to that portion of the services and activities fee previously committed
16 to the repayment of bonded debt. The services and activities fee
17 committee provided for in RCW 28B.15.045 may initiate a request to the
18 governing board for a fee increase.

19 **Sec. 9.** RCW 28B.15.502 and 1992 c 231 s 11 are each amended to
20 read as follows:

21 Minimum and maximum tuition fees and maximum services and
22 activities fees at each community college for other than the summer
23 term shall be set by the state board for community and technical
24 colleges as follows:

25 (1) For full-time resident students, the maximum total tuition fees
26 shall be twenty-three percent of the per student educational costs at
27 the community colleges computed as provided in RCW 28B.15.067 and
28 28B.15.070: PROVIDED, That the building fees for each academic year
29 shall be (~~one hundred and twenty seven dollars and fifty cents~~)
30 fifteen percent of tuition fees.

31 (2) For full-time nonresident students, the minimum total tuition
32 fees shall be one hundred percent of the per student educational costs
33 at the community colleges computed as provided in RCW 28B.15.067 and
34 28B.15.070: PROVIDED, That the building fees for each academic year
35 shall be (~~four hundred and three dollars and fifty cents~~) eleven
36 percent of tuition fees.

37 (3) The governing boards of each of the state community colleges
38 shall charge to and collect from each student a services and activities

1 fee. Each governing board may increase the existing fee annually,
2 consistent with budgeting procedures set forth in RCW 28B.15.045, by a
3 percentage not to exceed the annual percentage increase in resident
4 student tuition fees: PROVIDED, That such percentage increase shall
5 not apply to that portion of the services and activities fee previously
6 committed to the repayment of bonded debt. The services and activities
7 fee committee provided for in RCW 28B.15.045 may initiate a request to
8 the governing board for a fee increase.

9 (4) Tuition and services and activities fees consistent with
10 subsection (3) of this section shall be set by the state board for
11 community and technical colleges for summer school students unless the
12 community college charges fees in accordance with RCW 28B.15.515.

13 Subject to the limitations of RCW 28B.15.910, each governing board
14 may charge such fees for ungraded courses, noncredit courses, community
15 services courses, and self-supporting courses as it, in its discretion,
16 may determine, consistent with the rules and regulations of the state
17 board for community and technical colleges.

18 Before June 30, 1995, no individual waiver program under this
19 section may be reduced by more than twice the percentage reduction
20 required in operating fee foregone revenue from tuition waivers in the
21 biennial state appropriations act.

22 NEW SECTION. **Sec. 10.** A new section is added to chapter 28B.15
23 RCW to read as follows:

24 It is the intent of the legislature that in making appropriations
25 from the state's general fund to institutions of higher education and
26 to the community colleges as a whole, each appropriation shall conform
27 to the following:

28 (1) The appropriation may be reduced by the amount of estimated
29 operating fees revenue collected at the maximum level for resident
30 undergraduate students and the minimum level estimated for all other
31 students, minus obligations under RCW 28B.15.820 and 43.99I.040 and
32 minus the amount of waived operating fees authorized under RCW
33 28B.15.910;

34 (2) The appropriation shall not be reduced by the amount of
35 operating fees revenue collected from students enrolled above the
36 state-funded level, but within the overenrollment limitations,
37 specified in the omnibus biennial operating appropriations act;

1 (3) The appropriation shall not be reduced by the amount of
2 operating fees revenue collected as a result of waiving less operating
3 fees revenue than the amounts authorized under RCW 28B.15.910;

4 (4) The appropriation shall not be reduced by revenue resulting
5 from operating fee rates being set above the minimum rates established
6 in this chapter, nor shall the appropriation be increased as a result
7 of operating fee rates established below the maximum rates established
8 in this chapter; and

9 (5) The general fund--state appropriation shall be adjusted upward
10 or downward as necessary to compensate for the difference between
11 estimated tuition fees revenue and actual tuition fees revenue as
12 reported by the state treasurer.

13 NEW SECTION. **Sec. 11.** A new section is added to chapter 28B.15
14 RCW to read as follows:

15 For the purpose of charging tuition fees and services and
16 activities fees, in any academic term a full-time undergraduate student
17 is a student registered for ten or more credit hours and a full-time
18 graduate or law student is a student registered for seven or more
19 credit hours.

20 NEW SECTION. **Sec. 12.** A new section is added to chapter 28B.15
21 RCW to read as follows:

22 It is the intent of the legislature that resident students not be
23 displaced by nonresident students as a result of permitting
24 institutions of higher education to retain operating fees in a local
25 account. The higher education coordinating board shall annually report
26 to the governor and appropriate legislative committees the number of
27 resident and nonresident students enrolled at each college and
28 university. The report shall include but need not be limited to
29 enrollment history over time and recommendations for any legislation
30 needed to maintain enrollment opportunities for resident students.

31 **Sec. 13.** RCW 43.88.140 and 1981 c 270 s 9 are each amended to read
32 as follows:

33 (1) All appropriations shall lapse at the end of the fiscal period
34 for which the appropriations are made to the extent that they have not
35 been expended or lawfully obligated.

1 (2) Appropriations made to any institution of higher education that
2 meet the requirements of section 15 of this act are exempt from
3 subsection (1) of this section.

4 NEW SECTION. Sec. 14. The higher education efficiency account for
5 [institution's name] is created in the custody of the state treasurer.
6 The account may receive moneys through gifts, grants, or donations to
7 the state for the purposes of the account. Any state general fund
8 appropriations made to an institution's higher education efficiency
9 account that are unexpended or unencumbered on the last day of any
10 biennium shall be deposited in the account. Expenditures from the
11 account shall be used only in accordance with the plan adopted by the
12 institution's governing board and approved by the higher education
13 coordinating board as required under section 15 of this act. Only the
14 governing board or its designee may authorize expenditures from the
15 account. Moneys in the account shall not be expended for promotions,
16 the correction of salary inequities or market disparities, or for
17 salary or enrollment increases above the level set in the biennial
18 appropriations acts.

19 No appropriation is required for an expenditure from the account.
20 The account is not subject to the allotment procedures under chapter
21 43.88 RCW. Unexpended and unencumbered moneys that remain in the
22 account at the end of the biennium do not revert to the state general
23 fund, but remain in the account. However, if the higher education
24 coordinating board has not approved the institution's expenditure plan
25 by the beginning of the next calendar year, moneys in the account
26 revert to the state general fund.

27 NEW SECTION. Sec. 15. A new section is added to chapter 28B.15
28 RCW to read as follows:

29 An institution of higher education that meets the following
30 requirements may retain unexpended state appropriations at the end of
31 a fiscal period.

32 (1) Before any funds are expended, (a) the institution's governing
33 board shall adopt an expenditure plan for the funds; and (b) the plan
34 shall be approved by the higher education coordinating board. The
35 higher education coordinating board may delegate to the state board for
36 community and technical colleges the responsibility to approve plans
37 for community and technical colleges.

1 (2) The plan may include, but is not limited to the following types
2 of activities:

3 (a) Matching private donations to the distinguished professorship,
4 graduate fellowship, and exceptional faculty awards programs;

5 (b) Recruiting and retaining underrepresented minorities and
6 students with disabilities;

7 (c) Providing financial aid to needy students;

8 (d) Enhancing instructional quality; and

9 (e) Participating in collaborative efforts with other educational
10 sectors.

11 NEW SECTION. **Sec. 16.** It is the intent of the legislature to
12 restructure and fully fund the state's system of financial aid. The
13 restructured financial aid system shall be known as college promise.

14 NEW SECTION. **Sec. 17.** (1) The higher education coordinating board
15 shall restructure the state's financial aid programs into a
16 comprehensive and coordinated system of assistance known as college
17 promise. College promise shall expand and modify three existing
18 programs for needy students: The state need grant program under RCW
19 28B.10.790 through 28B.10.824; the state work study program under
20 chapter 28B.12 RCW; and the educational opportunity grant program under
21 chapter 28B.101 RCW. In addition, college promise may include a
22 demonstration project to assist needy students whose parents did not
23 attend an institution of higher education. College promise shall be
24 implemented beginning in the 1995-96 academic year.

25 (2) By January 1, 1994, the higher education coordinating board, in
26 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
29 promise. In preparing the plan, the board shall follow the goals and
30 priorities set forth in sections 18 and 19 of this act. The plan shall
31 include, but not be limited to:

32 (a) Specific program eligibility measures and application
33 procedures for the new populations of state financial aid recipients
34 identified in section 19 of this act;

35 (b) Specific need analysis criteria and asset protection
36 allowances;

1 (c) Estimates of how many state residents, both those who are
2 currently enrolled in a college or university, and those not currently
3 enrolled, would be eligible and would apply for aid under the expanded
4 eligibility criteria identified in section 19 of this act. The
5 estimates, developed in consultation with the office of financial
6 management, the office of the superintendent of public instruction, and
7 other agencies as appropriate, shall take into account state economic
8 and demographic factors and information obtained through a survey of
9 potential new aid applicants;

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

13 (e) Estimates of the costs for each state financial aid program,
14 including the state need grant program under RCW 28B.10.790 through
15 28B.10.824; the state work study program under chapter 28B.12 RCW; and
16 the educational opportunity grant program under chapter 28B.101 RCW to
17 accommodate any new aid applicants estimated under (c) of this
18 subsection, as offset by nonstate sources of aid. Separate cost
19 estimates shall be made for each of the new aid populations identified
20 under section 19 of this act;

21 (3) The cost estimates completed under subsection (2) of this
22 section shall be the basis for determining funding levels for state
23 financial aid programs for each year of the 1995-97 biennium.

24 (4) The methodologies used to estimate costs under subsection (2)
25 of this section shall be used for the annual cost estimates required
26 under section 20 of this act.

27 (5) The plan completed under subsection (2) of this section shall
28 be deemed approved on June 30, 1994, unless legislation is enacted to
29 alter the policies set forth in the plan. The board shall also propose
30 to the legislature any changes to the laws governing state financial
31 aid programs that it deems necessary to accomplish the purposes of
32 college promise.

33 NEW SECTION. **Sec. 18.** In restructuring the state's financial aid
34 programs, the higher education coordinating board shall follow these
35 funding goals:

36 (1) For all need-based financial aid programs under RCW 28B.10.790
37 through 28B.10.824 and chapters 28B.12 and 28B.101 RCW:

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

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

3 (ii) Provide more self-help opportunities than grant aid to middle-
4 income students, and approximately equal amounts of self-help
5 opportunities and grant aid to low-income and lower middle-income
6 students. Self-help opportunities include work study and loans;

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

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

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

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

17 (f) Deliver clear and timely information to current and future
18 postsecondary students about the costs of attending college and
19 available financial aid.

20 (2) For the state need grant program under RCW 28B.10.790 through
21 28B.10.824: As funds are available, expand the program to include new
22 populations of resident students in the following priority order,
23 ensuring that undergraduate students with the most demonstrated
24 financial need receive full grants before less needy students receive
25 any grant:

26 (a) Low-income undergraduates;

27 (b) Lower middle-income undergraduates;

28 (c) Middle-income undergraduates; and

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

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

34 (4) For students whose parents did not attend college: Determine
35 the feasibility of providing grants to needy first generation scholars.

36 NEW SECTION. **Sec. 19.** In implementing the goals for expanding
37 financial aid to needy undergraduate students, the board shall be
38 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 Goals for Funding Needy Undergraduate Students

5 Classification:	Low-income	Lower middle-income	Middle-income
6 Family			
7 Income:	0-\$20,864	\$20,865-\$31,296	\$31,297-\$52,160
8 (1991 Dollars)			
9 Percentage	Fifty percent	Fifty-one to	Seventy-six
10 of State		seventy-five	to one hundred
11 Median		percent	twenty-five
12 Income:			percent
13 Aid	May qualify for	Full need	Full need
14 Application:	simplified form	analysis	analysis
15		required	required
16 Priority for			
17 Receiving			
18 Grants:	First	Second	Third
19 Assistance	One-half	One-half	Up to one-third
20 Mix:	grants	grants	grants
21 Goal:	One-half	One-half	Two-thirds
22	work study	work study	work study
23	and loans	and loans	and loans

24 NEW SECTION. **Sec. 20.** By September 1st of each even-numbered
 25 year, the higher education coordinating board shall adopt an estimate
 26 of the amount of funding, annualized for each fiscal year, that will be
 27 needed during the ensuing biennium to fully fund each of the state's
 28 student financial aid programs under RCW 28B.10.210 through 28B.10.220,
 29 28B.10.790 through 28B.10.824, chapters 28B.12, 28B.101, and 28B.102
 30 RCW, and, if funded, the first generation scholars demonstration
 31 project. The board shall report its findings to the governor, and the
 32 house of representatives and senate fiscal and higher education
 33 committees.

34 NEW SECTION. **Sec. 21.** In administering the state student
 35 financial aid program, also known as the state need grant program,
 36 under RCW 28B.10.790 through 28B.10.824, the higher education
 37 coordinating board shall proceed substantially as follows unless it
 38 determines that a modification is required in order to conform with

1 federal law or to improve the administration of the program, consistent
2 with the purposes of this chapter.

3 (1) Define and assist additional populations of needy students as
4 funding becomes available, in the priorities described in section 18 of
5 this act, and using income level classification definitions as
6 described in section 19 of this act.

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

12 (3) To the extent feasible, adjust the student budget of a needy
13 student with disabilities to reflect otherwise unfunded equipment or
14 assistance needed to reasonably accommodate the student in a
15 postsecondary education or training program.

16 **Sec. 22.** RCW 28B.101.040 and 1990 c 288 s 6 are each amended to
17 read as follows:

18 Grants may be used by eligible participants to attend any public or
19 private college or university in the state of Washington that is
20 accredited by an accrediting association recognized by rule of the
21 higher education coordinating board and that has an existing unused
22 capacity. Grants shall not be used to attend any branch campus or
23 educational program established under chapter 28B.45 RCW. The
24 participant shall not be eligible for a grant if it will be used for
25 any programs that include religious worship, exercise, or instruction
26 or to pursue a degree in theology. Each participating student may
27 receive up to two thousand five hundred dollars per academic year, not
28 to exceed the student's demonstrated financial need for the course of
29 study.

30 NEW SECTION. **Sec. 23.** A new section is added to chapter 28B.80
31 RCW to read as follows:

32 With the exception of institutions of higher education as defined
33 in RCW 28B.10.016, any institution of postsecondary education that
34 enrolls students receiving state-funded financial aid shall: (1) For
35 Washington residents, match the total amount of the state financial aid
36 funds received by all enrolled students at that institution with an
37 equal amount of institutionally raised grant funds from private

1 sources, and (2) enter into new or honor existing transfer agreements
2 with institutions of higher education as defined in RCW 28B.10.016.
3 The higher education coordinating board shall adopt rules to implement
4 these requirements. The rules shall ensure that all institutional
5 matching grant funds go to students who are needy as defined in RCW
6 28B.10.802(3) and who are residents of the state of Washington.
7 "Residents of the state of Washington" means that the students would be
8 eligible to pay resident tuition rates under RCW 28B.15.011 through
9 28B.15.013 if they were enrolled at a state institution of higher
10 education as defined in RCW 28B.10.016.

11 **Sec. 24.** RCW 28B.12.040 and 1985 c 370 s 58 are each amended to
12 read as follows:

13 The higher education coordinating board shall develop and
14 administer the college work-study program and shall be authorized to
15 enter into agreements with employers and eligible institutions for the
16 operation of the program. These agreements shall include such
17 provisions as the higher education coordinating board may deem
18 necessary or appropriate to carry out the purposes of this chapter.

19 With the exception of off-campus community service placements, the
20 share from ((funds)) moneys disbursed under the college work-study
21 program of the compensation of students employed under such program in
22 accordance with such agreements shall not exceed eighty percent of the
23 total such compensation paid such students.

24 By rule, the board shall define community service placements and
25 may determine any salary matching requirements for any community
26 service employers.

27 NEW SECTION. **Sec. 25.** A new section is added to chapter 28B.80
28 RCW to read as follows:

29 The higher education coordinating board may design a demonstration
30 project to assist needy first generation college students to obtain
31 either a community or technical college degree or certificate, or a
32 baccalaureate degree. Through the project, a needy student, as defined
33 in RCW 28B.10.802(3), who attends a Washington institution of higher
34 education that is accredited by an accrediting association recognized
35 by the board by rule, and whose parents did not attend an institution
36 of higher education, may receive a grant of up to fifteen hundred
37 dollars per year, not to exceed the student's documented need. The

1 grant may be renewable each year, if the student makes satisfactory
2 academic progress. Grants awarded to any one student shall not exceed
3 a cumulative total of nine thousand dollars for an individual pursuing
4 a baccalaureate degree or five thousand dollars for a student pursuing
5 a community or technical college degree or certificate. Before seeking
6 funding for the program, the board shall submit to the governor and the
7 legislature a plan for implementing the project. The plan shall
8 include a provision for verification of student eligibility to
9 participate in the demonstration project.

10 NEW SECTION. **Sec. 26.** If any provision of this act or its
11 application to any person or circumstance is held invalid, the
12 remainder of the act or the application of the provision to other
13 persons or circumstances is not affected.

14 NEW SECTION. **Sec. 27.** The sum of one hundred twenty thousand
15 dollars, or as much thereof as may be necessary, is appropriated from
16 the general fund to the higher education coordinating board, for the
17 biennium ending June 30, 1995, to complete the plan required under
18 section 17 of this act.

19 NEW SECTION. **Sec. 28.** Sections 16 through 21 of this act are each
20 added to chapter 28B.10 RCW.

--- END ---