S-2081.1			

SUBSTITUTE SENATE BILL 5660

State of Washington 58th Legislature 2003 Regular Session

By Senate Committee on Higher Education (originally sponsored by Senators Kohl-Welles, Carlson, B. Sheldon, Schmidt, Shin, Mulliken, Horn, Kline, Prentice and Winsley)

READ FIRST TIME 03/04/03.

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- AN ACT Relating to gaining independence for students by establishing an educational assistance grant program for students with dependents; amending RCW 28B.10.801; adding a new section to chapter 74.04 RCW; and adding a new chapter to Title 28B RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. FINDING--INTENT. The legislature finds that financially needy students, especially those with dependents, are finding it increasingly difficult to stay in school due to the high costs of caring for their dependent children.
 - The legislature intends to establish an educational assistance grant program, funded through gifts, grants, or endowments from private sources, for students with dependents who have additional financial needs due to the care they provide for their dependents eighteen years of age or younger.
- NEW SECTION. Sec. 2. PROGRAM CREATED. The educational assistance grant program for students with dependents is hereby created, subject to the availability of receipts of gifts, grants, or endowments from private sources. The program is created to serve financially needy

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- 1 students with dependents eighteen years of age or younger, by assisting
- 2 them directly through a grant program to pursue a degree or certificate
- 3 at public or private institutions of higher education, as defined in
- 4 RCW 28B.10.802, that participate in the state need grant program.
- 5 <u>NEW SECTION.</u> **Sec. 3.** DEFINITION--ELIGIBILITY. To be eligible for
- 6 the educational assistance grant program for students with dependents,
- 7 applicants shall: (1) Be residents of the state of Washington; (2) be
- 8 needy students as defined in RCW 28B.10.802(3); (3) be eligible to
- 9 participate in the state need grant program as set forth under RCW
- 10 28B.10.810; and (4) have dependents eighteen years of age or younger
- 11 who are under their care.

- 12 <u>NEW SECTION.</u> **Sec. 4.** ACCOUNT CREATION. (1) The students with
- 13 dependents grant account is created in the custody of the state
- 14 treasurer. All receipts from the program shall be deposited into the
- 15 account. Only the higher education coordinating board, or its
- 16 designee, may authorize expenditures from the account. Disbursements
- 17 from the account are exempt from appropriations and the allotment
- 18 procedures under chapter 43.88 RCW.

assistance grant program.

- 19 (2) The board may solicit and receive gifts, grants, or endowments
- 20 from private sources that are made from time to time, in trust or
- 21 otherwise, for the use and benefit of the purposes of the educational

The executive director, or the executive

- 23 director's designee, may spend gifts, grants, or endowments or income
- 24 from the private sources according to their terms unless the receipt of
- the gifts, grants, or endowments violates RCW 42.17.710.
- 26 (3) The earnings on the account shall be used solely for the
- 27 purposes in section 2 of this act, except when the terms of a
- 28 conditional gift of private moneys in the account require that a
- 29 portion of earnings on such moneys be reinvested in the account.
- 30 <u>NEW SECTION.</u> **Sec. 5.** ADMINISTRATION OF PROGRAM--PAYMENTS TO
- 31 PARTICIPANTS. The higher education coordinating board shall develop
- 32 and administer the educational assistance grant program for students
- 33 with dependents. In administering the program, once the balance in the
- 34 students with dependents grant account is five hundred thousand

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- dollars, the board's powers and duties shall include but not be limited to:
 - (1) Adopting necessary rules and guidelines;
 - (2) Publicizing the program;

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- 5 (3) Accepting and depositing donations into the grant account 6 established in section 4 of this act;
- 7 (4) Soliciting and accepting grants and donations from private 8 sources for the program; and
- 9 (5) Creating an advisory committee to solicit grants and donations 10 from private sources and assist the board in the overall administration 11 of the program.
- NEW SECTION. Sec. 6. USE OF GRANTS. The educational assistance 12 grant program for students with dependents grants may be used by 13 eligible participants to attend any public or private college or 14 university in the state of Washington as defined in RCW 28B.10.802. 15 16 Each participating student may receive an amount to be determined by 17 the higher education coordinating board, with a minimum amount of one thousand dollars per academic year, not to exceed the student's 18 19 documented financial need for the course of study as determined by the 20 institution.
 - Educational assistance grants for students with dependents are not intended to supplant any grant scholarship or tax program related to postsecondary education. If the higher education coordinating board finds that the educational assistance grants for students with dependents supplant or reduce any grant, scholarship, or tax program for categories of students, then the higher education coordinating board shall adjust the financial eligibility criteria or the amount of the grant to the level necessary to avoid supplanting.
- NEW SECTION. Sec. 7. This chapter may be known and cited as the gaining independence for students with dependents program.
- NEW SECTION. Sec. 8. A new section is added to chapter 74.04 RCW to read as follows:
- For purposes of RCW 74.04.005 (10) and (11), "resource" and "income" do not include educational assistance awarded under the

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- 1 gaining independence for students with dependents program as defined in
- 2 this act for recipients of temporary assistance for needy families.
- 3 <u>NEW SECTION.</u> **Sec. 9.** Captions used in this act are not any part
- 4 of the law.

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- 5 <u>NEW SECTION.</u> **Sec. 10.** Sections 1 through 7 and 9 of this act
- 6 constitute a new chapter in Title 28B RCW.
- 7 **Sec. 11.** RCW 28B.10.801 and 1999 c 345 s 1 are each amended to 8 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:
 - (a) Reaffirmation that the primary purpose of the state need grant program is to assist low-income, needy, and disadvantaged Washington residents attending institutions of higher education;
 - (b) A goal that the base state need grant amount over time be increased to be equivalent to the rate of tuition charged to resident undergraduate students attending Washington state public colleges and universities;
- 21 (c) State need grant recipients be required to contribute a portion 22 of the total cost of their education through self-help;
 - (d) State need grant recipients be required to document their need for dependent care assistance after taking into account other public funds provided for like purposes; and
 - (e) Institutional aid administrators be allowed to determine whether a student eligible for a state need grant in a given academic year may remain eligible for the ensuing year if the student's family income increases by no more than a marginal amount except for funds provided through the educational assistance grant program for students with dependents.
- 32 (2) The legislature further finds that the higher education 33 coordinating board, under its authority to implement the proposed 34 changes in subsection (1) of this section, should do so in a timely 35 manner.

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(3)	The	legislature	also	finds	that:
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- (a) In most circumstances, need grant eligibility should not extend beyond five years or one hundred twenty-five percent of the published length of the program in which the student is enrolled or the credit or clock-hour equivalent; and
- (b) State financial aid programs should continue to adhere to the principle that funding follows resident students to their choice of institution of higher education.

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