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**SENATE BILL 6044**

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**State of Washington                      61st Legislature                      2009 Regular Session**

**By** Senators Kilmer, Jarrett, Shin, and McAuliffe

Read first time 02/17/09. Referred to Committee on Higher Education & Workforce Development.

1            AN ACT Relating to revitalizing student financial aid; amending RCW  
2 28B.92.060,      28B.92.030,      28B.15.543,      28B.76.660,      28B.76.665,  
3 28B.15.0681,    28B.76.500,    28B.15.820,    and 28B.12.030; adding a new  
4 section to chapter 28B.101 RCW; adding new sections to chapter 28B.92  
5 RCW; adding a new section to chapter 28A.600 RCW; adding a new section  
6 to chapter 28B.15 RCW; creating a new section; repealing RCW  
7 28B.101.005, 28B.101.010, 28B.101.020, and 28B.101.040; providing  
8 effective dates; and providing an expiration date.

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

10           NEW SECTION.    **Sec. 1.**    The legislature finds that a myriad of  
11 financial aid programs exist for students at the federal, state, local,  
12 community, and institutional levels. These programs enable thousands  
13 of students across Washington to access all sectors of higher  
14 education, from apprenticeship programs to public and private four and  
15 two-year institutions of higher education. The legislature further  
16 finds that Washington state is a national leader in the distribution of  
17 financial aid to increase college access and affordability, ranking  
18 fourth in the nation in 2007 in terms of state student grant aid  
19 funding per capita.

1 It is the intent of the legislature to promote and expand access to  
2 state financial aid programs by determining which programs provide the  
3 greatest value to the largest number of students, and by fully  
4 supporting those programs. Furthermore, it is the intent of the  
5 legislature to designate all existing financial aid an "opportunity  
6 passport," with the effect of providing students with a clear  
7 understanding of available resources to pay for postsecondary  
8 education, thereby increasing access to postsecondary education and  
9 meeting the needs of local business and industry.

10 It is the intent of the legislature that the higher education  
11 coordinating board and institutions of higher education coordinate the  
12 development of outreach tools, such as a web-based portal for  
13 information on all opportunity grant aid programs. The information  
14 should be communicated in a format and manner that provides an ease of  
15 understanding for students and their families and include other  
16 pertinent information on institutions of higher education, costs, and  
17 academic programs. It is also the intent of the legislature for  
18 institutions of higher education to incorporate this information in  
19 promotional materials to prospective and current students and their  
20 families.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.101  
22 RCW to read as follows:

23 (1) The legislature intends to consolidate the educational  
24 opportunity grant program over a period of two years. As of August 1,  
25 2009, no new educational opportunity grants may be made. Persons who  
26 have been selected by the higher education coordinating board to  
27 receive a grant before August 1, 2009, shall receive the full amount of  
28 their award, not to exceed two thousand five hundred dollars per  
29 academic year for a maximum of two years. All persons awarded an  
30 educational opportunity grant before August 1, 2009, must complete  
31 using the award before August 1, 2011. For these recipients,  
32 eligibility for the grant is forfeited after this period.

33 (2) This section expires August 1, 2011.

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.92 RCW  
35 to read as follows:

36 To the extent funds are appropriated for this purpose and within

1 overall appropriations for the state need grant as defined in this  
2 chapter, need grants are provided for persons who meet all of the  
3 following criteria:

- 4 (1) Are needy students as defined in RCW 28B.92.030;
- 5 (2) Are placebound students as defined in RCW 28B.92.030; and
- 6 (3) Have completed the associate of arts or the associate of  
7 science degree.

8 **Sec. 4.** RCW 28B.92.060 and 2007 c 404 s 2 are each amended to read  
9 as follows:

10 In awarding need grants, the board shall proceed substantially as  
11 follows: PROVIDED, That nothing contained herein shall be construed to  
12 prevent the board, in the exercise of its sound discretion, from  
13 following another procedure when the best interest of the program so  
14 dictates:

15 (1) The board shall annually select the financial aid award  
16 recipients from among Washington residents applying for student  
17 financial aid who have been ranked according to:

18 (a) Financial need as determined by the amount of the family  
19 contribution; and

20 (b) Other considerations, such as whether the student is a former  
21 foster youth, or is a placebound student who has completed an associate  
22 of arts or associate of science degree or its equivalent.

23 (2) The financial need of the highest ranked students shall be met  
24 by grants depending upon the evaluation of financial need until the  
25 total allocation has been disbursed. Funds from grants which are  
26 declined, forfeited or otherwise unused shall be reawarded until  
27 disbursed, except that eligible former foster youth shall be assured  
28 receipt of a grant.

29 (3) A student shall be eligible to receive a state need grant for  
30 up to five years, or the credit or clock hour equivalent of five years,  
31 or up to one hundred twenty-five percent of the published length of  
32 time of the student's program. A student may not start a new associate  
33 degree program as a state need grant recipient until at least five  
34 years have elapsed since earning an associate degree as a need grant  
35 recipient, except that a student may earn two associate degrees  
36 concurrently. Qualifications for renewal will include maintaining  
37 satisfactory academic progress toward completion of an eligible program

1 as determined by the board. Should the recipient terminate his or her  
2 enrollment for any reason during the academic year, the unused portion  
3 of the grant shall be returned to the state educational grant fund by  
4 the institution according to the institution's own policy for issuing  
5 refunds, except as provided in RCW 28B.92.070.

6 (4) In computing financial need, the board shall determine a  
7 maximum student expense budget allowance, not to exceed an amount equal  
8 to the total maximum student expense budget at the public institutions  
9 plus the current average state appropriation per student for operating  
10 expense in the public institutions. Any child support payments  
11 received by students who are parents attending less than half-time  
12 shall not be used in computing financial need.

13 (5)(a) A student who is enrolled in three to six credit-bearing  
14 quarter credits, or the equivalent semester credits, may receive a  
15 grant for up to one academic year before beginning a program that leads  
16 to a degree or certificate.

17 (b) An eligible student enrolled on a less-than-full-time basis  
18 shall receive a prorated portion of his or her state need grant for any  
19 academic period in which he or she is enrolled on a less-than-full-time  
20 basis, as long as funds are available.

21 (c) An institution of higher education may award a state need grant  
22 to an eligible student enrolled in three to six credit-bearing quarter  
23 credits, or the semester equivalent, on a provisional basis if:

24 (i) The student has not previously received a state need grant from  
25 that institution;

26 (ii) The student completes the required free application for  
27 federal student aid;

28 (iii) The institution has reviewed the student's financial  
29 condition, and the financial condition of the student's family if the  
30 student is a dependent student, and has determined that the student is  
31 likely eligible for a state need grant; and

32 (iv) The student has signed a document attesting to the fact that  
33 the financial information provided on the free application for federal  
34 student aid and any additional financial information provided directly  
35 to the institution is accurate and complete, and that the student  
36 agrees to repay the institution for the grant amount if the student  
37 submitted false or incomplete information.

1 (6) As used in this section, "former foster youth" means a person  
2 who is at least eighteen years of age, but not more than twenty-four  
3 years of age, who was a dependent of the department of social and  
4 health services at the time he or she attained the age of eighteen.

5 **Sec. 5.** RCW 28B.92.030 and 2004 c 275 s 35 are each amended to  
6 read as follows:

7 As used in this chapter:

8 (1) "Institution" or "institutions of higher education" means:

9 (a) Any public university, college, community college, or technical  
10 college operated by the state of Washington or any political  
11 subdivision thereof; or

12 (b) Any other university, college, school, or institute in the  
13 state of Washington offering instruction beyond the high school level  
14 which is a member institution of an accrediting association recognized  
15 by rule of the board for the purposes of this section: PROVIDED, That  
16 any institution, branch, extension or facility operating within the  
17 state of Washington which is affiliated with an institution operating  
18 in another state must be a separately accredited member institution of  
19 any such accrediting association, or a branch of a member institution  
20 of an accrediting association recognized by rule of the board for  
21 purposes of this section, that is eligible for federal student  
22 financial aid assistance and has operated as a nonprofit college or  
23 university delivering on-site classroom instruction for a minimum of  
24 twenty consecutive years within the state of Washington, and has an  
25 annual enrollment of at least seven hundred full-time equivalent  
26 students: PROVIDED FURTHER, That no institution of higher education  
27 shall be eligible to participate in a student financial aid program  
28 unless it agrees to and complies with program rules and regulations  
29 adopted pursuant to RCW 28B.92.150.

30 (2) "Financial aid" means loans and/or grants to needy students  
31 enrolled or accepted for enrollment as a student at institutions of  
32 higher education.

33 (3) "Needy student" means a post high school student of an  
34 institution of higher education who demonstrates to the board the  
35 financial inability, either through the student's parents, family  
36 and/or personally, to meet the total cost of board, room, books, and  
37 tuition and incidental fees for any semester or quarter.

1 (4) "Disadvantaged student" means a post high school student who by  
2 reason of adverse cultural, educational, environmental, experiential,  
3 familial or other circumstances is unable to qualify for enrollment as  
4 a full time student in an institution of higher education, who would  
5 otherwise qualify as a needy student, and who is attending an  
6 institution of higher education under an established program designed  
7 to qualify the student for enrollment as a full time student.

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

9 (6) "Placebound student" means a student who (a) is unable to  
10 complete a college program because of family or employment commitments,  
11 health concerns, monetary inability, or other similar factors; and (b)  
12 may be influenced by the receipt of an enhanced student financial aid  
13 award to complete a baccalaureate degree at an eligible institution.

14 NEW SECTION. Sec. 6. A new section is added to chapter 28A.600  
15 RCW to read as follows:

16 (1) The legislature intends to change eligibility requirements of  
17 the Washington scholars program. Persons who have been selected by the  
18 higher education coordinating board as Washington scholars or  
19 Washington scholars-alternates before August 1, 2009, shall continue to  
20 be eligible to receive a maximum of twelve quarters or eight semesters  
21 of grants for undergraduate study, subject to applicable rule of the  
22 higher education coordinating board. Persons who have been selected by  
23 the higher education coordinating board as Washington scholars or  
24 Washington scholars-alternates on or after August 1, 2009, are eligible  
25 to receive a maximum of six quarters or four semesters of grants for  
26 undergraduate study.

27 (2) It is further the intent of the legislature to redirect any  
28 cost savings gained through changes in eligibility criteria to the  
29 Washington scholars program to the state work-study program, as defined  
30 in chapter 28B.12 RCW.

31 **Sec. 7.** RCW 28B.15.543 and 2004 c 275 s 49 are each amended to  
32 read as follows:

33 (1) Subject to the limitations of RCW 28B.15.910, the governing  
34 boards of the state universities, the regional universities, The  
35 Evergreen State College, and the community colleges shall waive tuition  
36 and service and activities fees for students named by the higher

1 education coordinating board on or before June 30, 1994, as recipients  
2 of the Washington scholars award under RCW 28A.600.100 through  
3 28A.600.150. The waivers shall be used only for undergraduate studies.  
4 To qualify for the waiver, recipients shall enter the college or  
5 university within three years of high school graduation and maintain a  
6 minimum grade point average at the college or university equivalent to  
7 3.30. Students (~~(shall be)~~) named as recipients before August 1, 2009,  
8 are eligible to receive a maximum of twelve quarters or eight semesters  
9 of waivers and may transfer among state-supported institutions of  
10 higher education during that period and continue to have the tuition  
11 and services and activities fees waived by the state-supported  
12 institution of higher education that the student attends. Beginning  
13 August 1, 2009, students named as recipients are eligible to receive a  
14 maximum of six quarters or four semesters of waivers and may transfer  
15 among state-supported institutions of higher education during that  
16 period and continue to have the tuition and services and activities  
17 fees waived by the state-supported institution of higher education that  
18 the student attends. Should the student's cumulative grade point  
19 average fall below 3.30 during the first three quarters or two  
20 semesters, that student may petition the higher education coordinating  
21 board which shall have the authority to establish a probationary period  
22 until such time as the student's grade point average meets required  
23 standards.

24 (2) Students named by the higher education coordinating board after  
25 June 30, 1994, as recipients of the Washington scholars award under RCW  
26 28A.600.100 through 28A.600.150 shall be eligible to receive a grant  
27 for undergraduate course work as authorized under RCW 28B.76.660.

28 **Sec. 8.** RCW 28B.76.660 and 2005 c 518 s 917 are each amended to  
29 read as follows:

30 (1) Recipients of the Washington scholars award or the Washington  
31 scholars-alternate award under RCW 28A.600.100 through 28A.600.150 who  
32 choose to attend an independent college or university in this state, as  
33 defined in subsection (4) of this section, and recipients of the award  
34 named after June 30, 1994, who choose to attend a public college or  
35 university in the state may receive grants under this section if moneys  
36 are available. The higher education coordinating board shall  
37 distribute grants to eligible students under this section from moneys

1 appropriated for this purpose. The individual grants shall not exceed,  
2 on a yearly basis, the yearly, full-time, resident, undergraduate  
3 tuition and service and activities fees in effect at the state-funded  
4 research universities. Grants to recipients attending an independent  
5 institution shall be contingent upon the institution matching on at  
6 least a dollar-for-dollar basis, either with actual money or by a  
7 waiver of fees, the amount of the grant received by the student from  
8 the state. The higher education coordinating board shall establish  
9 procedures, by rule, to disburse the awards as direct grants to the  
10 students.

11 (2) The higher education coordinating board shall establish rules  
12 that provide for the annual awarding of grants, if moneys are  
13 available, to three Washington scholars per legislative district except  
14 for fiscal year 2007 when no more than two scholars per district shall  
15 be selected; and, if not used by an original recipient, to the  
16 Washington scholars-alternate from the same legislative district.

17 Beginning with scholars selected in the year 2000, if the  
18 recipients of grants fail to demonstrate in a timely manner that they  
19 will enroll in a Washington institution of higher education in the fall  
20 term of the academic year following the award of the grant or are  
21 deemed by the higher education coordinating board to have withdrawn  
22 from college during the first academic year following the award, then  
23 the grant shall be considered relinquished. The higher education  
24 coordinating board may then award any remaining grant amounts to the  
25 Washington scholars-alternate from the same legislative district if the  
26 grants are awarded within one calendar year of the recipient being  
27 named a Washington scholars-alternate. Washington scholars-alternates  
28 named as recipients of the grant must also demonstrate in a timely  
29 manner that they will enroll in a Washington institution of higher  
30 education during the next available term, as determined by the higher  
31 education coordinating board. The board may accept appeals and grant  
32 waivers to the enrollment requirements of this section based on  
33 exceptional mitigating circumstances of individual grant recipients.

34 To maintain eligibility for the grants, recipients must maintain a  
35 minimum grade point average at the college or university equivalent to  
36 3.30. Students (~~shall be~~) selected before August 1, 2009, are  
37 eligible to receive a maximum of twelve quarters or eight semesters of  
38 grants for undergraduate study and may transfer among in-state public



1 and independent colleges and universities during that period and  
2 continue to receive the grant as provided under RCW 28B.76.665.  
3 Beginning August 1, 2009, students named as recipients are eligible to  
4 receive a maximum of six quarters or four semesters of grants for  
5 undergraduate study and may transfer among in-state public and  
6 independent colleges and universities during that period and continue  
7 to receive the grant as provided under RCW 28B.76.665. If the  
8 student's cumulative grade point average falls below 3.30 during the  
9 first three quarters or two semesters, that student may petition the  
10 higher education coordinating board which shall have the authority to  
11 establish a probationary period until such time as the student's grade  
12 point average meets required standards.

13 (3) No grant shall be awarded to any student who is pursuing a  
14 degree in theology.

15 (4) As used in this section, "independent college or university"  
16 means a private, nonprofit educational institution, the main campus of  
17 which is permanently situated in the state, open to residents of the  
18 state, providing programs of education beyond the high school level  
19 leading at least to the baccalaureate degree, and accredited by the  
20 northwest association of schools and colleges as of June 9, 1988, and  
21 other institutions as may be developed that are approved by the higher  
22 education coordinating board as meeting equivalent standards as those  
23 institutions accredited under this section.

24 (5) As used in this section, "public college or university" means  
25 an institution of higher education as defined in RCW 28B.10.016.

26 **Sec. 9.** RCW 28B.76.665 and 2004 c 275 s 25 are each amended to  
27 read as follows:

28 Students receiving grants under RCW 28B.76.660 or waivers under RCW  
29 28B.15.543 are entitled to transfer among in-state public and  
30 independent colleges or universities and to continue to receive award  
31 benefits, as provided in this section, in the form of a grant or waiver  
32 of tuition and services and activities fees while enrolled at such  
33 institutions during the period of eligibility. For students receiving  
34 grants or waivers before August 1, 2009, the total grants or waivers  
35 for any one student shall not exceed twelve quarters or eight semesters  
36 of undergraduate study. Beginning August 1, 2009, the total grants or

1 waivers for any one student shall not exceed six quarters or four  
2 semesters of undergraduate study.

3 (1) Scholars named to the award on or before June 30, 1994, may  
4 transfer between in-state public institutions, or from an eligible  
5 independent college or university to an in-state public institution of  
6 higher education, and are entitled to receive the waiver of tuition and  
7 services and activities fees.

8 (2) Scholars named to the award on or before June 30, 1994, may  
9 transfer from an in-state public institution to an eligible independent  
10 college or university, or between eligible independent colleges or  
11 universities, and continue to receive a grant contingent upon available  
12 funding.

13 (3) Scholars named to the award after June 30, 1994, may transfer  
14 among in-state public or private colleges and universities and continue  
15 to receive the grant contingent upon available funding.

16 (4) In addition, scholars who transfer to an eligible independent  
17 institution may receive the grant contingent upon the agreement of the  
18 school to match on at least a dollar-for-dollar basis, either with  
19 actual money or by a waiver of fees, the amount of the grant received  
20 by the student from the state.

21 **Sec. 10.** RCW 28B.15.0681 and 2007 c 151 s 2 are each amended to  
22 read as follows:

23 (1) In addition to the requirement in RCW 28B.76.300(4),  
24 institutions of higher education shall disclose to their undergraduate  
25 resident students on the tuition billing statement, in dollar figures  
26 for a full-time equivalent student:

27 ~~((1))~~ (a) The full cost of instruction~~((2))~~;

28 (b) The amount collected from student tuition and fees~~((7))~~; and

29 ~~((3))~~ (c) The difference between the amounts for the full cost of  
30 instruction and the student tuition and fees~~((noting))~~

31 (2) The tuition billing statement shall note that the difference  
32 between the cost and tuition under subsection (1)(c) of this section  
33 was paid by state tax funds and other moneys.

34 (3) Beginning in the 2010-11 academic year, the amount determined  
35 in subsection (1)(c) of this section shall be labeled an "opportunity  
36 passport" on the tuition billing statement.

1       (4) Beginning in the 2010-11 academic year, institutions of higher  
2 education shall label all financial aid awarded to resident  
3 undergraduate students as an "opportunity passport" on the tuition  
4 billing statement or financial aid award notification. This includes  
5 aid from all sources including federal, state, and local governments,  
6 local communities, nonprofit and for-profit organizations, and  
7 institutions of higher education. The disclosure requirements  
8 specified in this section do not change the source, award amount,  
9 student eligibility, or student obligations associated with each award.  
10 Institutions of higher education retain the ability to customize their  
11 tuition billing statements to inform students of the assistance source,  
12 amount, and type so long as provisions of this section are also  
13 fulfilled.

14       **Sec. 11.** RCW 28B.76.500 and 1985 c 370 s 23 are each amended to  
15 read as follows:

16       (1) The board shall administer any state program or state-  
17 administered federal program of student financial aid now or hereafter  
18 established.

19       (2) Each of the student financial aid programs administered by the  
20 board shall be labeled an "opportunity passport." All communication  
21 materials, including, but not limited to, printed materials,  
22 presentations, and web content, shall include the "opportunity  
23 passport" label.

24       (3) If the board develops a one-stop college information web-based  
25 portal that includes financial, academic, and career planning  
26 information, the portal shall display all available student financial  
27 aid programs under the "opportunity passport" label.

28       (4) The labeling requirements in this section do not change the  
29 source, eligibility requirements, or student obligations associated  
30 with each program. The board retains the ability to customize its  
31 communications to differentiate between programs, eligibility  
32 requirements, and student obligations, so long as the reporting  
33 provisions of this chapter are also fulfilled.

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

36       As used in this chapter, "dual credit program" means a program,

1 administered by either an institution of higher education or a high  
2 school, through which high school students in the eleventh or twelfth  
3 grade who have not yet received the credits required for the award of  
4 a high school diploma apply to a participating institution of higher  
5 education to enroll in courses or programs offered by the institution  
6 of higher education and simultaneously earn high school and college  
7 credit.

8 **Sec. 13.** RCW 28B.15.820 and 2007 c 404 s 4 are each amended to  
9 read as follows:

10 (1) Each institution of higher education, including technical  
11 colleges, shall deposit a minimum of three and one-half percent of  
12 revenues collected from tuition and services and activities fees in an  
13 institutional financial aid fund that is hereby created and which shall  
14 be held locally. Moneys in the fund shall be used only for the  
15 following purposes: (a) To make guaranteed long-term loans to eligible  
16 students as provided in subsections (3) through (8) of this section;  
17 (b) to make short-term loans as provided in subsection (9) of this  
18 section; or (c) to provide financial aid to needy students as provided  
19 in subsection (10) of this section.

20 (2) An "eligible student" for the purposes of subsections (3)  
21 through (8) and (10) of this section is a student registered for at  
22 least three credit hours or the equivalent, who is eligible for  
23 resident tuition and fee rates as defined in RCW 28B.15.012 and  
24 28B.15.013, and who is a "needy student" as defined in RCW 28B.92.030.

25 (3) The amount of the guaranteed long-term loans made under this  
26 section shall not exceed the demonstrated financial need of the  
27 student. Each institution shall establish loan terms and conditions  
28 which shall be consistent with the terms of the guaranteed loan program  
29 established by 20 U.S. Code Section 1071 et seq., as now or hereafter  
30 amended. All loans made shall be guaranteed by the Washington student  
31 loan guaranty association or its successor agency. Institutions are  
32 hereby granted full authority to operate as an eligible lender under  
33 the guaranteed loan program.

34 (4) Before approving a guaranteed long-term loan, each institution  
35 shall analyze the ability of the student to repay the loan based on  
36 factors which include, but are not limited to, the student's  
37 accumulated total education loan burdens and the employment

1 opportunities and average starting salary characteristics of the  
2 student's chosen fields of study. The institution shall counsel the  
3 student on the advisability of acquiring additional debt, and on the  
4 availability of other forms of financial aid.

5 (5) Each institution is responsible for collection of guaranteed  
6 long-term loans made under this section and shall exercise due  
7 diligence in such collection, maintaining all necessary records to  
8 insure that maximum repayments are made. Institutions shall cooperate  
9 with other lenders and the Washington student loan guaranty  
10 association, or its successor agency, in the coordinated collection of  
11 guaranteed loans, and shall assure that the guarantability of the loans  
12 is not violated. Collection and servicing of guaranteed long-term  
13 loans under this section shall be performed by entities approved for  
14 such servicing by the Washington student loan guaranty association or  
15 its successor agency: PROVIDED, That institutions be permitted to  
16 perform such servicing if specifically recognized to do so by the  
17 Washington student loan guaranty association or its successor agency.  
18 Collection and servicing of guaranteed long-term loans made by  
19 community colleges under subsection (1) of this section shall be  
20 coordinated by the state board for community and technical colleges and  
21 shall be conducted under procedures adopted by the state board.

22 (6) Receipts from payment of interest or principal or any other  
23 subsidies to which institutions as lenders are entitled, that are paid  
24 by or on behalf of borrowers of funds under subsections (3) through (8)  
25 of this section, shall be deposited in each institution's financial aid  
26 fund and shall be used to cover the costs of making the guaranteed  
27 long-term loans under this section and maintaining necessary records  
28 and making collections under subsection (5) of this section: PROVIDED,  
29 That such costs shall not exceed five percent of aggregate outstanding  
30 loan principal. Institutions shall maintain accurate records of such  
31 costs, and all receipts beyond those necessary to pay such costs, shall  
32 be deposited in the institution's financial aid fund.

33 (7) The governing boards of the state universities, the regional  
34 universities, and The Evergreen State College, and the state board for  
35 community and technical colleges, on behalf of the community colleges  
36 and technical colleges, shall each adopt necessary rules and  
37 regulations to implement this section.

1 (8) First priority for any guaranteed long-term loans made under  
2 this section shall be directed toward students who would not normally  
3 have access to educational loans from private financial institutions in  
4 Washington state, and maximum use shall be made of secondary markets in  
5 the support of loan consolidation.

6 (9) Short-term loans, not to exceed one year, may be made from the  
7 institutional financial aid fund to students enrolled in the  
8 institution. No such loan shall be made to any student who is known by  
9 the institution to be in default or delinquent in the payment of any  
10 outstanding student loan. A short-term loan may be made only if the  
11 institution has ample evidence that the student has the capability of  
12 repaying the loan within the time frame specified by the institution  
13 for repayment.

14 (10) Any moneys deposited in the institutional financial aid fund  
15 that are not used in making long-term or short-term loans may be used  
16 by the institution for locally administered financial aid programs for  
17 needy students, such as need-based institutional employment programs or  
18 need-based tuition and fee scholarship or grant programs. These funds  
19 shall be used in addition to and not to replace institutional funds  
20 that would otherwise support these locally administered financial aid  
21 programs. First priority in the use of these funds shall be given to  
22 needy students who have accumulated excessive educational loan burdens.  
23 An excessive educational loan burden is a burden that will be difficult  
24 to repay given employment opportunities and average starting salaries  
25 in the student's chosen fields of study. Second priority in the use of  
26 these funds shall be given to needy single parents, to assist these  
27 students with their educational expenses, including expenses associated  
28 with child care and transportation.

29 (11) Any moneys deposited in the institutional financial aid fund  
30 may be used by the institution for a locally administered financial aid  
31 program for high school students enrolled in dual credit programs. If  
32 institutions use funds in this manner, the governing boards of the  
33 state universities, the regional universities, The Evergreen State  
34 College, and the state board for community and technical colleges shall  
35 each adopt necessary rules to implement this subsection. Moneys from  
36 this fund may be used for all educational expenses related to a  
37 student's participation in a dual credit program including but not  
38 limited to tuition, fees, course materials, and transportation.

1        NEW SECTION.    **Sec. 14.**    A new section is added to chapter 28B.92  
2    RCW to read as follows:

3        Institutions of higher education are encouraged to review their  
4    policies and procedures regarding financial aid for students enrolled  
5    in dual credit programs as defined in section 12 of this act.  
6    Institutions of higher education are further encouraged to implement  
7    policies and procedures providing students enrolled in dual credit  
8    programs with the same access to institutional aid, including all  
9    educational expenses, as provided to resident undergraduate students.

10       NEW SECTION.    **Sec. 15.**    The following acts or parts of acts, as now  
11    existing or hereafter amended, are each repealed, effective August 1,  
12    2011:

13        (1) RCW 28B.101.005 (Finding--Intent) and 2003 c 233 s 1 & 1990 c  
14    288 s 2;

15        (2) RCW 28B.101.010 (Program created) and 2003 c 233 s 2 & 1990 c  
16    288 s 3;

17        (3) RCW 28B.101.020 (Definition--Eligibility) and 2004 c 275 s 67,  
18    2003 c 233 s 3, & 1990 c 288 s 4;

19        (4) RCW 28B.101.030 (Administration of program--Payments to  
20    participants) and 1990 c 288 s 5; and

21        (5) RCW 28B.101.040 (Use of grants) and 2003 c 233 s 4 & 2002 c 186  
22    s 3.

23       NEW SECTION.    **Sec. 16.**    This act takes effect August 1, 2009.

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