CERTIFICATION OF ENROLLMENT

**SECOND SUBSTITUTE SENATE BILL 5851**

64th Legislature

2015 Regular Session

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| Passed by the Senate April 16, 2015Yeas 48 Nays 0**President of the Senate**Passed by the House April 15, 2015Yeas 97 Nays 1**Speaker of the House of Representatives** | CERTIFICATEI, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE SENATE BILL 5851** as passed by Senate and the House of Representatives on the dates hereon set forth.**Chief Clerk** |
| Approved  |  |
| **Governor of the State of Washington** | **Secretary of State** **State of Washington** |

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**SECOND SUBSTITUTE SENATE BILL 5851**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2015 Regular Session

**State of Washington 64th Legislature 2015 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Frockt, Kohl-Welles, Miloscia, Liias, Mullet, Pedersen, Nelson, and McAuliffe)

AN ACT Relating to recommendations of the college bound scholarship program work group; amending RCW 28B.77.100 and 28B.118.040; reenacting and amending RCW 28B.118.010; adding new sections to chapter 28B.118 RCW; creating a new section; providing an expiration date; and declaring an emergency.

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

NEW SECTION. **Sec.**  The legislature finds that the college bound scholarship program has demonstrated that an early promise of financial aid results in increased high school graduation rates for low-income students. The promise of state financial aid to students from low-income families who work to graduate with sufficient grades and no felony convictions provides them with a path toward greater educational attainment and upward mobility. The scholarship program has the potential to move Washington toward its long-term goal of a better trained and educated workforce. Among the first two cohorts, college bound enrollees were fifteen percent and nineteen percent more likely to graduate from high school in 2012 and 2013 compared to low-income peers who were not part of the program.

The legislature also finds that a comprehensive review of the college bound scholarship program in 2014 resulted in unanimous recommendations to improve and enhance certain components of the program, including data collection, outreach, and program outcomes.

**Sec.**  RCW 28B.77.100 and 2012 c 229 s 302 are each amended to read as follows:

(1)(a) In consultation with the education data center, institutions of higher education, and state education agencies, the council shall identify the data needed to carry out its responsibilities for policy analysis and public information. The primary goals of the council's data collection and research are to describe how students and other beneficiaries of higher education are being served; to compare and contrast the state of Washington's higher education system with the rest of the nation; and to assist state policymakers and institutions in making policy decisions.

(b) For the council, assistance to state policymakers and institutions of higher education in making policy decisions includes but is not limited to annual reporting of a national comparison of tuition and fees.

(2) One of the goals of the education data center's data collection and research for higher education is to support higher education accountability. For the education data center, assistance to state policymakers and institutions of higher education in making policy decisions includes but is not limited to regular completion of:

(a) Educational cost study reports as provided in RCW 43.41.415 and information on state support received by students as provided in RCW 43.41.410; and

(b) Per-student funding at similar public institutions of higher education in the global challenge states.

(3) The education data center shall be considered an authorized representative of the council and the office under applicable federal and state statutes for purposes of accessing and compiling student record data for research purposes.

**Sec.**  RCW 28B.118.010 and 2012 c 229 s 402 and 2012 c 163 s 8 are each reenacted and amended to read as follows:

The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section and in alignment with the state need grant program in chapter 28B.92 RCW unless otherwise provided in this section.

(1) "Eligible students" are those students who:

(a) Qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter; or

(b) Are dependent pursuant to chapter 13.34 RCW and:

(i) In grade seven through twelve; or

(ii) Are between the ages of eighteen and twenty-one and have not graduated from high school.

(2) Eligible students shall be notified of their eligibility for the Washington college bound scholarship program beginning in their seventh grade year. Students shall also be notified of the requirements for award of the scholarship.

(3)(a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a) of this section must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.

(b) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the higher education coordinating board or its successor by mail or electronically, as indicated on the form.

(4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.

(b)(i) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (d).

(ii) For a student who does not meet the "C" average requirement, and who completes fewer than two quarters in the running start program, under chapter 28A.600 RCW, the student's first quarter of running start course grades must be excluded from the student's overall grade point average for purposes of determining their eligibility to receive the scholarship.

(5) A student's family income will be assessed upon graduation before awarding the scholarship.

(6) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.

(b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington.

(c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington.

(7) Recipients may receive no more than four full-time years' worth of scholarship awards.

(8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.

(9) The first scholarships shall be awarded to students graduating in 2012.

(10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.

(11) The scholarship award must be used within five years of receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.

(12) Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the scholarship tuition units shall revert to the Washington college bound scholarship account.

**Sec.**  RCW 28B.118.040 and 2011 1st sp.s. c 11 s 228 are each amended to read as follows:

The office of student financial assistance shall:

(1) With the assistance of the office of the superintendent of public instruction, implement and administer the Washington college bound scholarship program;

(2) Develop and distribute, to all schools with students enrolled in grade seven or eight, a pledge form that can be completed and returned electronically or by mail by the student or the school to the office of student financial assistance;

(3) Develop and implement a student application, selection, and notification process for scholarships, which includes working with other state agencies, law enforcement, or the court system to verify that eligible students do not have felony convictions;

(4) Annually in March, with the assistance of the office of the superintendent of public instruction, distribute to tenth grade college bound scholarship students and their families: (a) Notification that, to qualify for the scholarship, a student's family income may not exceed sixty-five percent of the state median family income at graduation from high school; (b) the current year's value for sixty-five percent of the state median family income; and (c) a statement that a student should consult their school counselor if their family makes, or is projected to make, more than this value before the student graduates;

(5) Develop comprehensive social media outreach with grade-level specific information designed to keep students on track to graduate and leverage current tools such as the high school and beyond plan required by the state board of education and the ready set grad web site maintained by the student achievement council;

(6) Track scholarship recipients to ensure continued eligibility and determine student compliance for awarding of scholarships;

((~~(5)~~)) (7) Within existing resources, collaborate with college access providers and K-12, postsecondary, and youth-serving organizations to map and coordinate mentoring and advising resources across the state;

(8) Subject to appropriation, deposit funds into the state educational trust fund;

((~~(6)~~)) (9) Purchase tuition units under the advanced college tuition payment program in chapter 28B.95 RCW to be owned and held in trust by the board, for the purpose of scholarship awards as provided for in this section; and

((~~(7)~~)) (10) Distribute scholarship funds, in the form of tuition units purchased under the advanced college tuition payment program in chapter 28B.95 RCW or through direct payments from the state educational trust fund, to institutions of higher education on behalf of scholarship recipients identified by the office, as long as recipients maintain satisfactory academic progress.

NEW SECTION. **Sec.**  A new section is added to chapter 28B.118 RCW to read as follows:

Each institution of higher education is encouraged to tailor advising resources for any enrolled student who is the recipient of a college bound scholarship. The institutions of higher education should identify campus officials, resources, programs, and other college bound scholarship students available to work with college bound scholarship recipients.

NEW SECTION. **Sec.**  A new section is added to chapter 28B.118 RCW to read as follows:

(1) Beginning January 1, 2015, and at a minimum every year thereafter, the student achievement council and all institutions of higher education eligible to participate in the college bound scholarship program shall ensure data needed to analyze and evaluate the effectiveness of the college bound scholarship program is promptly transmitted to the education data center created in RCW 43.41.400 so that it is available and easily accessible. The data to be reported should include but not be limited to:

(a) The number of students who sign up for the college bound scholarship program in seventh or eighth grade;

(b) The number of college bound scholarship students who graduate from high school;

(c) The number of college bound scholarship students who enroll in postsecondary education;

(d) Persistence and completion rates of college bound scholarship recipients disaggregated by institutions of higher education;

(e) College bound scholarship recipient grade point averages;

(f) The number of college bound scholarship recipients who did not remain eligible and reasons for ineligibility;

(g) College bound scholarship program costs; and

(h) Impacts to the state need grant program.

(2) Beginning the effective date of this section, and at a minimum every December 1st thereafter, the student achievement council shall submit student unit record data for the college bound scholarship program applicants and recipients to the education data center.

NEW SECTION. **Sec.**  A new section is added to chapter 28B.118 RCW to read as follows:

(1) The Washington state institute for public policy shall complete an evaluation of the college bound scholarship program and submit a report to the appropriate committees of the legislature by December 1, 2018. The report shall complement studies on the college bound scholarship program conducted at the University of Washington or elsewhere. To the extent it is not duplicative of other studies, the report shall evaluate educational outcomes emphasizing degree completion rates at both secondary and postsecondary levels. The report shall study certain aspects of the college bound scholarship program, including but not limited to:

(a) College bound scholarship recipient grade point average and its relationship to positive outcomes;

(b) Variance in remediation needed between college bound scholarship recipient and their peers;

(c) Differentials in persistence between college bound scholarship recipients and their peers; and

(d) The impact of ineligibility for the college bound scholarship program, for reasons such as moving into the state after middle school or change in family income.

(2) This section expires August 1, 2019.

NEW SECTION. **Sec.**  Section 6 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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