

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1546**

64th Legislature  
2015 Regular Session

Passed by the House April 23, 2015  
Yeas 87 Nays 11

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**Speaker of the House of Representatives**

Passed by the Senate April 15, 2015  
Yeas 32 Nays 16

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1546** as passed by House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1546

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AS AMENDED BY THE SENATE

Passed Legislature - 2015 Regular Session

State of Washington

64th Legislature

2015 Regular Session

By House Appropriations (originally sponsored by Representatives Reykdal, Pollet, Springer, Bergquist, S. Hunt, Lytton, Tarleton, Wylie, and McBride; by request of Office of Financial Management)

READ FIRST TIME 02/27/15.

1 AN ACT Relating to dual credit opportunities provided by  
2 Washington state's public institutions of higher education; amending  
3 RCW 28A.320.196, 28A.600.290, and 28A.600.310; reenacting and  
4 amending RCW 28B.95.020 and 28B.95.030; creating new sections; and  
5 providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that Washington has  
8 been a front-runner in dual credit innovation through the  
9 establishment of the running start and college in the high school  
10 programs, and has continued to expand student choices in dual credit  
11 programs.

12 In Washington, a range of dual credit or dual enrollment programs  
13 are available to students. Dual credit programs, such as running  
14 start, college in the high school, tech prep (course completion  
15 options), and AP and international baccalaureate and Cambridge  
16 (standardized exam options) offer academically prepared students the  
17 opportunity to earn college credits while still in high school.  
18 Students who participate in these programs achieve improved high  
19 school graduation rates and are more likely to continue on to college  
20 and complete a degree. In addition, dual credit and dual enrollment  
21 programs support students' individual college and career pathways.

1       The legislature further finds that through the development and  
2 implementation of the 2013 roadmap the student achievement council  
3 has identified key barriers that limit access to dual credit  
4 programs, particularly for low-income students. Removing these  
5 barriers is a critical step toward achieving the state educational  
6 attainment goals outlined in the roadmap.

7       The legislature recognizes that the decision to enroll in a dual  
8 credit program should be made by the student and the student's  
9 parents or guardians, in consultation with counselors or academic  
10 advisors, and based on the academic, cultural, and developmental  
11 needs and college and career goals of the student. The decision to  
12 choose one dual credit option over another should not be based on the  
13 difference in the costs of one option over another.

14       In the college in the high school program, credit is awarded  
15 based on successful course completion and ability to pay tuition and  
16 fees. Under the current college in the high school system, some  
17 students may successfully complete the course but do not receive  
18 credit because they are unable to pay.

19       Students in the running start program face a different but  
20 equally challenging situation. Students in the running start program  
21 do not receive funding for books and transportation costs. These  
22 financial barriers decrease opportunities for lower income students  
23 to benefit from dual credit programs.

24       Therefore, the legislature intends to increase opportunities for  
25 academically prepared high school students to earn up to two years of  
26 college credit through dual credit programs, and to reduce  
27 disparities in access to, and completion of, these programs. This act  
28 provides a new funding model to support tuition in the college in the  
29 high school program, and provides flexibility in the academic  
30 acceleration incentive program to assist students with transportation  
31 and book expenses associated with the running start program. It is  
32 the intent of the legislature, once this new funding model is enacted  
33 and operational, to establish a distinction between the college in  
34 the high school program as a program occurring in high schools and  
35 the running start program as a program occurring on a college campus.

36       The legislature finds that dual credit opportunities are a  
37 valuable means of supporting students on their way to successful  
38 completion of college and career pathways. The legislature seeks  
39 additional recommendations to mitigate financial and other barriers

1 for students enrolled in the running start program, and dual credit  
2 programs based on standardized exams.

3 **Sec. 2.** RCW 28A.320.196 and 2013 c 184 s 3 are each amended to  
4 read as follows:

5 (1) Subject to funds appropriated specifically for this purpose,  
6 the academic acceleration incentive program is established as  
7 provided in this section. The intent of the legislature is that the  
8 funds awarded under the program be used to support teacher training,  
9 curriculum, technology, examination fees, textbook fees, and other  
10 costs associated with offering dual credit courses to high school  
11 students, including transportation for running start students to and  
12 from the institution of higher education as defined in RCW  
13 28A.600.300.

14 (2) The office of the superintendent of public instruction shall  
15 allocate half of the funds appropriated for the purposes of this  
16 section on a competitive basis to provide one-time grants for high  
17 schools to expand the availability of dual credit courses. To be  
18 eligible for a grant, a school district must have adopted an academic  
19 acceleration policy as provided under RCW 28A.320.195. In making  
20 grant awards, the office of the superintendent of public instruction  
21 must give priority to grants for high schools with a high proportion  
22 of low-income students and high schools seeking to develop new  
23 capacity for dual credit courses rather than proposing marginal  
24 expansion of current capacity.

25 (3) The office of the superintendent of public instruction shall  
26 allocate half of the funds appropriated for the purposes of this  
27 section to school districts as an incentive award for each student  
28 who earned dual high school and college credit, as described under  
29 subsection (4) of this section, for courses offered by the district's  
30 high schools during the previous school year. School districts must  
31 distribute the award to the high schools that generated the funds.  
32 The award amount for low-income students eligible to participate in  
33 the federal free and reduced-price meals program who earn dual  
34 credits must be set at one hundred twenty-five percent of the base  
35 award for other students. A student who earns more than one dual  
36 credit in the same school year counts only once for the purposes of  
37 the incentive award.

1 (4) For the purposes of this section, the following students are  
2 considered to have earned dual high school and college credit in a  
3 course offered by a high school:

4 (a) Students who achieve a score of three or higher on an AP  
5 examination;

6 (b) Students who achieve a score of four or higher on an  
7 examination of the international baccalaureate diploma programme;

8 (c) Students who successfully complete a Cambridge advanced  
9 international certificate of education examination;

10 (d) Students who successfully complete a course through the  
11 college in the high school program under RCW 28A.600.290 and are  
12 awarded credit by the partnering institution of higher education; and

13 (e) Students who satisfy the dual enrollment and class  
14 performance requirements to earn college credit through a tech prep  
15 course.

16 (5) If a high school provides access to online courses for  
17 students to earn dual high school and college credit at no cost to  
18 the student, such a course is considered to be offered by the high  
19 school. (~~Students enrolled in the running start program under RCW  
20 28A.600.300 do not generate an incentive award under this section.~~)

21 (6) The office of the superintendent of public instruction shall  
22 report to the education policy committees and the fiscal committees  
23 of the legislature, by January 1st of each year, information about  
24 the demographics of the students earning dual credits in the schools  
25 receiving grants under this section for the prior school year.  
26 Demographic data shall be disaggregated pursuant to RCW 28A.300.042.

27 **Sec. 3.** RCW 28A.600.290 and 2012 c 229 s 801 are each amended to  
28 read as follows:

29 (1) (~~The superintendent of public instruction, the state board  
30 for community and technical colleges, and the public baccalaureate  
31 institutions shall jointly develop and each adopt rules governing the  
32 college in the high school program. The association of Washington  
33 school principals shall be consulted during the rules development.  
34 The rules shall be written to encourage the maximum use of the  
35 program and may not narrow or limit the enrollment options.~~

36 (+2)) (a) Subject to the availability of amounts appropriated for  
37 this specific purpose and commencing with the 2015-16 school year,  
38 funding may be allocated at an amount per college credit for eleventh  
39 and twelfth grade students or students who have not yet received a

1 high school diploma or its equivalent and are eligible to be in the  
2 eleventh or twelfth grade who are enrolled in college in the high  
3 school courses under this section as specified in the omnibus  
4 appropriations act and adjusted for inflation from the 2015-16 school  
5 year. The maximum annual number of allocated credits per  
6 participating student shall be specified in the omnibus  
7 appropriations act, which must not exceed ten credits. Funding shall  
8 be prioritized in the following order:

9 (i) High schools offering a running start in the high school  
10 program in school year 2014-15. These schools shall only receive  
11 prioritized funding in school year 2015-16;

12 (ii) Students whose residence or the high school in which they  
13 are enrolled is located twenty driving miles or more as measured by  
14 the most direct route from the nearest eligible institution of higher  
15 education offering a running start program, whichever is greater; and

16 (iii) High schools eligible for the small school funding  
17 enhancement in the omnibus appropriations act.

18 (b)(i) Subject to the availability of amounts appropriated for  
19 this specific purpose and commencing with the 2015-16 school year,  
20 and only after the programs in (a) of this subsection are funded, a  
21 subsidy may be provided per college credit for eleventh and twelfth  
22 grade students or students who have not yet received a high school  
23 diploma or its equivalent and are eligible to be in the eleventh or  
24 twelfth grade who have been deemed eligible for free or reduced-price  
25 lunch and are enrolled in college in the high school courses under  
26 this section as specified in the omnibus appropriations act and  
27 adjusted for inflation from the 2015-16 school year. The maximum  
28 annual number of subsidized credits per participating student shall  
29 be specified in the omnibus appropriations act, which must not exceed  
30 five credits.

31 (ii) Districts wishing to participate in the subsidy program must  
32 apply to the office of the superintendent of public instruction by  
33 July 1st of each year and report the preliminary estimate of eligible  
34 students to receive the subsidy and the total number of projected  
35 credit hours.

36 (iii) The office of the superintendent of public instruction  
37 shall notify districts by September 1st of each school year if the  
38 district's students will receive the subsidy. If more districts apply  
39 than funding is available, the office of the superintendent of public  
40 instruction shall prioritize the district applications. The

1 superintendent shall develop factors to determine priority including,  
2 but not limited to, the number of dual credit opportunities available  
3 for low-income students in the districts.

4 (c) Districts shall remit any allocations or subsidies on behalf  
5 of participating students under (a) and (b) of this subsection to the  
6 participating institution of higher education and those students  
7 shall not be required to pay for the credits.

8 (d) The minimum allocation and subsidy under this section is  
9 sixty-five dollars per quarter credit for credit-bearing  
10 postsecondary coursework. The office of the superintendent of public  
11 instruction, the student achievement council, the state board for  
12 community and technical colleges, and the public baccalaureate  
13 institutions shall review funding levels for the program every four  
14 years beginning in 2017 and recommend changes.

15 (e) Students may pay college in the high school fees with  
16 advanced college tuition payment program tuition units at a rate set  
17 by the advanced college tuition payment program governing body under  
18 chapter 28B.95 RCW.

19 (2) For the purposes of funding students enrolled in the college  
20 in the high school program in accordance with subsection (1) of this  
21 section, college in the high school is defined as a dual credit  
22 program located on a high school campus or in a high school  
23 environment in which a high school student is able to earn both high  
24 school and postsecondary credit by completing postsecondary level  
25 courses with a passing grade.

26 (3) College in the high school programs may include both academic  
27 and career and technical education.

28 (4) College in the high school programs shall each be governed by  
29 a local contract between the district and the participating  
30 institution of higher education, in compliance with the ((guidelines  
31 adopted by the superintendent of public instruction, the state board  
32 for community and technical colleges, and the public baccalaureate  
33 institutions)) rules adopted by the superintendent of public  
34 instruction under this section.

35 ((+3)) (5) The college in the high school program must include  
36 the provisions in this subsection.

37 (a) The high school and participating institution of higher  
38 education together shall define the criteria for student eligibility.  
39 The institution of higher education may charge tuition fees to  
40 participating students. If specific funding is provided in the

1 omnibus appropriations act for the per credit allocations and per  
2 credit subsidies under subsection (1) of this section, the maximum  
3 per credit fee charged to any enrolled student may not exceed the  
4 amount of the per credit allocation or subsidy.

5 ~~(b) ((School districts shall report no student for more than one~~  
6 ~~full-time equivalent including college in the high school courses.~~

7 ~~(e))~~ The funds received by the participating institution of  
8 higher education may not be deemed tuition or operating fees and may  
9 be retained by the institution of higher education.

10 ~~((d))~~ (c) Enrollment information on persons registered under  
11 this section must be maintained by the institution of higher  
12 education separately from other enrollment information and may not be  
13 included in official enrollment reports, nor may such persons be  
14 considered in any enrollment statistics that would affect higher  
15 education budgetary determinations.

16 ~~((e))~~ (d) A school district must grant high school credit to a  
17 student enrolled in a program course if the student successfully  
18 completes the course. If no comparable course is offered by the  
19 school district, the school district superintendent shall determine  
20 how many credits to award for the course. The determination shall be  
21 made in writing before the student enrolls in the course. The credits  
22 shall be applied toward graduation requirements and subject area  
23 requirements. Evidence of successful completion of each program  
24 course shall be included in the student's secondary school records  
25 and transcript.

26 ~~((f) An))~~ (e) A participating institution of higher education  
27 must grant college credit to a student enrolled in a program course  
28 if the student successfully completes the course. The college credit  
29 shall be applied toward general education requirements or ~~((major~~  
30 ~~requirements. If no comparable course is offered by the college, the~~  
31 ~~institution of higher education at which the teacher of the program~~  
32 ~~course is employed shall determine how many credits to award for the~~  
33 ~~course and whether the course fulfills general education or major))~~  
34 degree requirements at institutions of higher education. Evidence of  
35 successful completion of each program course must be included in the  
36 student's college transcript.

37 ~~((g))~~ (f) Tenth, eleventh, and twelfth grade students or  
38 students who have not yet received a high school diploma or its  
39 equivalent and are eligible to be in the tenth, eleventh, or twelfth  
40 grades may participate in the college in the high school program.



1       (~~(h)~~) (g) Participating school districts must provide general  
2 information about the college in the high school program to all  
3 students in grades (~~ten, eleven, and~~) nine through twelve and to  
4 the parents and guardians of those students.

5       (~~(i)~~) (h) Full-time and part-time faculty at institutions of  
6 higher education, including adjunct faculty, are eligible to teach  
7 program courses.

8       (~~(4)~~) (6) The superintendent of public instruction shall adopt  
9 rules for the administration of this section. The rules shall be  
10 jointly developed by the superintendent of public instruction, the  
11 state board for community and technical colleges, the student  
12 achievement council, and the public baccalaureate institutions. The  
13 association of Washington school principals must be consulted during  
14 the rules development. The rules must outline quality and eligibility  
15 standards that are informed by nationally recognized standards or  
16 models. In addition, the rules must encourage the maximum use of the  
17 program and may not narrow or limit the enrollment options.

18       (7) The definitions in this subsection apply throughout this  
19 section.

20       (a) "Institution of higher education" has the (~~meaning~~)  
21 definition in RCW 28B.10.016, and also includes a public tribal  
22 college located in Washington and accredited by the Northwest  
23 commission on colleges and universities or another accrediting  
24 association recognized by the United States department of education.

25       (b) "Program course" means a college course offered in a high  
26 school under the college in the high school program.

27       **Sec. 4.** RCW 28A.600.310 and 2012 c 229 s 702 are each amended to  
28 read as follows:

29       (1)(a) Eleventh and twelfth grade students or students who have  
30 not yet received the credits required for the award of a high school  
31 diploma and are eligible to be in the eleventh or twelfth grades may  
32 apply to a participating institution of higher education to enroll in  
33 courses or programs offered by the institution of higher education.

34       (b) The course sections and programs offered as running start  
35 courses must also be open for registration to matriculated students  
36 at the participating institution of higher education and may not be a  
37 course consisting solely of high school students offered at a high  
38 school campus.

1       (c) A student receiving home-based instruction enrolling in a  
2 public high school for the sole purpose of participating in courses  
3 or programs offered by institutions of higher education shall not be  
4 counted by the school district in any required state or federal  
5 accountability reporting if the student's parents or guardians filed  
6 a declaration of intent to provide home-based instruction and the  
7 student received home-based instruction during the school year before  
8 the school year in which the student intends to participate in  
9 courses or programs offered by the institution of higher education.  
10 Students receiving home-based instruction under chapter 28A.200 RCW  
11 and students attending private schools approved under chapter 28A.195  
12 RCW shall not be required to meet the student learning goals, obtain  
13 a certificate of academic achievement or a certificate of individual  
14 achievement to graduate from high school, or to master the essential  
15 academic learning requirements. However, students are eligible to  
16 enroll in courses or programs in participating universities only if  
17 the board of directors of the student's school district has decided  
18 to participate in the program. Participating institutions of higher  
19 education, in consultation with school districts, may establish  
20 admission standards for these students. If the institution of higher  
21 education accepts a secondary school pupil for enrollment under this  
22 section, the institution of higher education shall send written  
23 notice to the pupil and the pupil's school district within ten days  
24 of acceptance. The notice shall indicate the course and hours of  
25 enrollment for that pupil.

26       (2)(a) In lieu of tuition and fees, as defined in RCW 28B.15.020  
27 and 28B.15.041:

28       (i) Running start students shall pay to the community or  
29 technical college all other mandatory fees as established by each  
30 community or technical college and, in addition, the state board for  
31 community and technical colleges may authorize a fee of up to ten  
32 percent of tuition and fees as defined in RCW 28B.15.020 and  
33 28B.15.041; and

34       (ii) All other institutions of higher education operating a  
35 running start program may charge running start students a fee of up  
36 to ten percent of tuition and fees as defined in RCW 28B.15.020 and  
37 28B.15.041 in addition to technology fees.

38       (b) The fees charged under this subsection (2) shall be prorated  
39 based on credit load.

1        (c) Students may pay fees under this subsection with advanced  
2 college tuition payment program tuition units at a rate set by the  
3 advanced college tuition payment program governing body under chapter  
4 28B.95 RCW.

5        (3)(a) The institutions of higher education must make available  
6 fee waivers for low-income running start students. Each institution  
7 must establish a written policy for the determination of low-income  
8 students before offering the fee waiver. A student shall be  
9 considered low income and eligible for a fee waiver upon proof that  
10 the student is currently qualified to receive free or reduced-price  
11 lunch. Acceptable documentation of low-income status may also  
12 include, but is not limited to, documentation that a student has been  
13 deemed eligible for free or reduced-price lunches in the last five  
14 years, or other criteria established in the institution's policy.

15        (b) Institutions of higher education, in collaboration with  
16 relevant student associations, shall aim to have students who can  
17 benefit from fee waivers take advantage of these waivers.  
18 Institutions shall make every effort to communicate to students and  
19 their families the benefits of the waivers and provide assistance to  
20 students and their families on how to apply. Information about  
21 waivers shall, to the greatest extent possible, be incorporated into  
22 financial aid counseling, admission information, and individual  
23 billing statements. Institutions also shall, to the greatest extent  
24 possible, use all means of communication, including but not limited  
25 to web sites, online catalogues, admission and registration forms,  
26 mass email messaging, social media, and outside marketing to ensure  
27 that information about waivers is visible, compelling, and reaches  
28 the maximum number of students and families that can benefit.

29        (4) The pupil's school district shall transmit to the institution  
30 of higher education an amount per each full-time equivalent college  
31 student at statewide uniform rates for vocational and nonvocational  
32 students. The superintendent of public instruction shall separately  
33 calculate and allocate moneys appropriated for basic education under  
34 RCW 28A.150.260 to school districts for purposes of making such  
35 payments and for granting school districts seven percent thereof to  
36 offset program related costs. The calculations and allocations shall  
37 be based upon the estimated statewide annual average per full-time  
38 equivalent high school student allocations under RCW 28A.150.260,  
39 excluding small high school enhancements, and applicable rules  
40 adopted under chapter 34.05 RCW. The superintendent of public

1 instruction, participating institutions of higher education, and the  
2 state board for community and technical colleges shall consult on the  
3 calculation and distribution of the funds. The funds received by the  
4 institution of higher education from the school district shall not be  
5 deemed tuition or operating fees and may be retained by the  
6 institution of higher education. A student enrolled under this  
7 subsection shall be counted for the purpose of meeting enrollment  
8 targets in accordance with terms and conditions specified in the  
9 omnibus appropriations act.

10 ~~((5) The state board for community and technical colleges, in  
11 collaboration with the other institutions of higher education that  
12 participate in the running start program and the office of the  
13 superintendent of public instruction, shall identify, assess, and  
14 report on alternatives for providing ongoing and adequate financial  
15 support for the program. Such alternatives shall include but are not  
16 limited to student tuition, increased support from local school  
17 districts, and reallocation of existing state financial support among  
18 the community and technical college system to account for  
19 differential running start enrollment levels and impacts. The state  
20 board for community and technical colleges shall report the  
21 assessment of alternatives to the governor and to the appropriate  
22 fiscal and policy committees of the legislature by September 1,  
23 2010.))~~

24 **Sec. 5.** RCW 28B.95.020 and 2012 c 229 s 606 are each reenacted  
25 and amended to read as follows:

26 The definitions in this section apply throughout this chapter,  
27 unless the context clearly requires otherwise.

28 (1) "Academic year" means the regular nine-month, three-quarter,  
29 or two-semester period annually occurring between August 1st and July  
30 31st.

31 (2) "Account" means the Washington advanced college tuition  
32 payment program account established for the deposit of all money  
33 received by the office from eligible purchasers and interest earnings  
34 on investments of funds in the account, as well as for all  
35 expenditures on behalf of eligible beneficiaries for the redemption  
36 of tuition units and for the development of any authorized college  
37 savings program pursuant to RCW 28B.95.150.

38 (3) "Committee on advanced tuition payment" or "committee" means  
39 a committee of the following members: The state treasurer, the

1 director of the office of financial management, the director of the  
2 office, or their designees, and two members to be appointed by the  
3 governor, one representing program participants and one private  
4 business representative with marketing, public relations, or  
5 financial expertise.

6 (4) "Contractual obligation" means a legally binding contract of  
7 the state with the purchaser and the beneficiary establishing that  
8 purchases of tuition units will be worth the same number of tuition  
9 units at the time of redemption as they were worth at the time of the  
10 purchase.

11 (5) "Dual credit fees" means any fees charged to a student for  
12 participation in college in the high school under RCW 28A.600.290 or  
13 running start under RCW 28A.600.310.

14 (6) "Eligible beneficiary" means the person for whom the tuition  
15 unit will be redeemed for attendance at an institution of higher  
16 education, participation in college in the high school under RCW  
17 28A.600.290, or participation in running start under RCW 28A.600.310.  
18 The beneficiary is that person named by the purchaser at the time  
19 that a tuition unit contract is accepted by the governing body.  
20 Qualified organizations, as allowed under section 529 of the federal  
21 internal revenue code, purchasing tuition unit contracts as future  
22 scholarships need not designate a beneficiary at the time of  
23 purchase.

24 ((+6)) (7) "Eligible purchaser" means an individual or  
25 organization that has entered into a tuition unit contract with the  
26 governing body for the purchase of tuition units for an eligible  
27 beneficiary. The state of Washington may be an eligible purchaser for  
28 purposes of purchasing tuition units to be held for granting  
29 Washington college bound scholarships.

30 ((+7)) (8) "Full-time tuition charges" means resident tuition  
31 charges at a state institution of higher education for enrollments  
32 between ten credits and eighteen credit hours per academic term.

33 ((+8)) (9) "Governing body" means the committee empowered by the  
34 legislature to administer the Washington advanced college tuition  
35 payment program.

36 ((+9)) (10) "Institution of higher education" means an  
37 institution that offers education beyond the secondary level and is  
38 recognized by the internal revenue service under chapter 529 of the  
39 internal revenue code.

1       (~~(10)~~) (11) "Investment board" means the state investment board  
2 as defined in chapter 43.33A RCW.

3       (~~(11)~~) (12) "Office" means the office of student financial  
4 assistance as defined in chapter 28B.76 RCW.

5       (~~(12)~~) (13) "State institution of higher education" means  
6 institutions of higher education as defined in RCW 28B.10.016.

7       (~~(13)~~) (14) "Tuition and fees" means undergraduate tuition and  
8 services and activities fees as defined in RCW 28B.15.020 and  
9 28B.15.041 rounded to the nearest whole dollar. For purposes of this  
10 chapter, services and activities fees do not include fees charged for  
11 the payment of bonds heretofore or hereafter issued for, or other  
12 indebtedness incurred to pay, all or part of the cost of acquiring,  
13 constructing, or installing any lands, buildings, or facilities.

14       (~~(14)~~) (15) "Tuition unit contract" means a contract between an  
15 eligible purchaser and the governing body, or a successor agency  
16 appointed for administration of this chapter, for the purchase of  
17 tuition units for a specified beneficiary that may be redeemed at a  
18 later date for an equal number of tuition units.

19       (~~(15)~~) (16) "Unit purchase price" means the minimum cost to  
20 purchase one tuition unit for an eligible beneficiary. Generally, the  
21 minimum purchase price is one percent of the undergraduate tuition  
22 and fees for the current year, rounded to the nearest whole dollar,  
23 adjusted for the costs of administration and adjusted to ensure the  
24 actuarial soundness of the account. The analysis for price setting  
25 shall also include, but not be limited to consideration of past and  
26 projected patterns of tuition increases, program liability, past and  
27 projected investment returns, and the need for a prudent  
28 stabilization reserve.

29       **Sec. 6.** RCW 28B.95.030 and 2011 1st sp.s. c 12 s 2 and 2011 1st  
30 sp.s. c 11 s 170 are each reenacted and amended to read as follows:

31       (1) The Washington advanced college tuition payment program shall  
32 be administered by the committee on advanced tuition payment which  
33 shall be chaired by the director of the office. The committee shall  
34 be supported by staff of the office.

35       (2)(a) The Washington advanced college tuition payment program  
36 shall consist of the sale of tuition units, which may be redeemed by  
37 the beneficiary at a future date for an equal number of tuition units  
38 regardless of any increase in the price of tuition, that may have  
39 occurred in the interval.

1 (b) Each purchase shall be worth a specific number of or fraction  
2 of tuition units at each state institution of higher education as  
3 determined by the governing body.

4 (c) The number of tuition units necessary to pay for a full  
5 year's, full-time undergraduate tuition and fee charges at a state  
6 institution of higher education shall be set by the governing body at  
7 the time a purchaser enters into a tuition unit contract.

8 (d) The governing body may limit the number of tuition units  
9 purchased by any one purchaser or on behalf of any one beneficiary,  
10 however, no limit may be imposed that is less than that necessary to  
11 achieve four years of full-time, undergraduate tuition charges at a  
12 state institution of higher education. The governing body also may,  
13 at its discretion, limit the number of participants, if needed, to  
14 ensure the actuarial soundness and integrity of the program.

15 (e) While the Washington advanced college tuition payment program  
16 is designed to help all citizens of the state of Washington, the  
17 governing body may determine residency requirements for eligible  
18 purchasers and eligible beneficiaries to ensure the actuarial  
19 soundness and integrity of the program.

20 (3)(a) No tuition unit may be redeemed until two years after the  
21 purchase of the unit.

22 (b) Units may be redeemed for enrollment at any institution of  
23 higher education that is recognized by the internal revenue service  
24 under chapter 529 of the internal revenue code. Units may also be  
25 redeemed to pay for dual credit fees.

26 (b) Units redeemed at a nonstate institution of higher education  
27 or for graduate enrollment shall be redeemed at the rate for state  
28 public institutions in effect at the time of redemption.

29 (4) The governing body shall determine the conditions under which  
30 the tuition benefit may be transferred to another family member. In  
31 permitting such transfers, the governing body may not allow the  
32 tuition benefit to be bought, sold, bartered, or otherwise exchanged  
33 for goods and services by either the beneficiary or the purchaser.

34 (5) The governing body shall administer the Washington advanced  
35 college tuition payment program in a manner reasonably designed to be  
36 actuarially sound, such that the assets of the trust will be  
37 sufficient to defray the obligations of the trust including the costs  
38 of administration. The governing body may, at its discretion,  
39 discount the minimum purchase price for certain kinds of purchases

1 such as those from families with young children, as long as the  
2 actuarial soundness of the account is not jeopardized.

3 (6) The governing body shall annually determine current value of  
4 a tuition unit.

5 (7) The governing body shall promote, advertise, and publicize  
6 the Washington advanced college tuition payment program.

7 (8) In addition to any other powers conferred by this chapter,  
8 the governing body may:

9 (a) Impose reasonable limits on the number of tuition units or  
10 units that may be used in any one year;

11 (b) Determine and set any time limits, if necessary, for the use  
12 of benefits under this chapter;

13 (c) Impose and collect administrative fees and charges in  
14 connection with any transaction under this chapter;

15 (d) Appoint and use advisory committees and the state actuary as  
16 needed to provide program direction and guidance;

17 (e) Formulate and adopt all other policies and rules necessary  
18 for the efficient administration of the program;

19 (f) Consider the addition of an advanced payment program for room  
20 and board contracts and also consider a college savings program;

21 (g) Purchase insurance from insurers licensed to do business in  
22 the state, to provide for coverage against any loss in connection  
23 with the account's property, assets, or activities or to further  
24 insure the value of the tuition units;

25 (h) Make, execute, and deliver contracts, conveyances, and other  
26 instruments necessary to the exercise and discharge of its powers and  
27 duties under this chapter;

28 (i) Contract for the provision for all or part of the services  
29 necessary for the management and operation of the program with other  
30 state or nonstate entities authorized to do business in the state;

31 (j) Contract for other services or for goods needed by the  
32 governing body in the conduct of its business under this chapter;

33 (k) Contract with financial consultants, actuaries, auditors, and  
34 other consultants as necessary to carry out its responsibilities  
35 under this chapter;

36 (l) Solicit and accept cash donations and grants from any person,  
37 governmental agency, private business, or organization; and

38 (m) Perform all acts necessary and proper to carry out the duties  
39 and responsibilities of this program under this chapter.



1        NEW SECTION.    **Sec. 7.**    (1) By September 15, 2016, the student  
2 achievement council, in collaboration with the state board for  
3 community and technical colleges, the office of the superintendent of  
4 public instruction, and the public baccalaureate institutions, shall  
5 make recommendations to the legislature to streamline and improve  
6 dual credit programs in Washington with particular attention to  
7 increasing participation of students who are low income and/or  
8 currently underrepresented in the running start, AP, international  
9 baccalaureate, and Cambridge international programs.  
10        (2) This section expires January 1, 2017.

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