6492-S.E AMH GILD OBRT 214

**ESSB 6492** - H AMD **1097**

By Representative Gildon

**NOT ADOPTED 02/06/2020**

 On page 18, after line 2, insert the following:

"**Sec.**  RCW 28B.92.200 and 2019 c 406 s 19 are each amended to read as follows:

(1) The Washington college grant program is created to provide a statewide free college program for eligible participants and greater access to postsecondary education for Washington residents. The Washington college grant program is intended to increase the number of high school graduates and adults that can attain a postsecondary credential and provide them with the qualifications needed to compete for job opportunities in Washington.

(2) The office shall implement and administer the Washington college grant program and is authorized to establish rules necessary for implementation of the program.

(3) The legislature shall appropriate funding for the Washington college grant program. Allocations must be made on the basis of estimated eligible participants enrolled in eligible institutions of higher education or apprenticeship programs. All eligible students are entitled to a Washington college grant beginning in academic year 2020-21.

(4) The office shall award Washington college grants to all eligible students beginning in academic year 2020-21.

(5) To be eligible for the Washington college grant, students must meet the following requirements:

(a) Demonstrate financial need under RCW 28B.92.205;

(b)(i) Be enrolled or accepted for enrollment for at least three quarter credits or the equivalent semester credits at an institution of higher education in Washington as defined in RCW 28B.92.030; or

(ii) Be enrolled in a registered apprenticeship program approved under chapter 49.04 RCW;

(c) Be a resident student as defined in RCW 28B.15.012(2) (a) through (e);

(d) File an annual application for financial aid as approved by the office; and

(e) Must not have earned a baccalaureate degree or higher from a postsecondary institution.

(6) Washington college grant eligibility may 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.

(7) Institutional aid administrators shall determine whether a student eligible for the Washington college grant in a given academic year may remain eligible for the ensuing year if the student's family income increases by no more than three percent.

(8) Qualifications for receipt and renewal include maintaining satisfactory academic progress toward completion of an eligible program as determined by the office and established in rule.

(9) Should a recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution of higher education according to the institution of higher education's policy for issuing refunds, except as provided in RCW 28B.92.070.

(10) An eligible student enrolled on a part-time basis shall receive a prorated portion of the Washington college grant for any academic period in which he or she is enrolled on a part-time basis.

(11) The Washington college grant is intended to be used to meet the costs of postsecondary education for students with financial need. The student shall be awarded all need-based financial aid for which the student qualifies as determined by the institution.

(12) Students and participating institutions of higher education shall comply with all the rules adopted by the council for the administration of this chapter.

(13) An eligible student who receives contributions under section 2 of this act:

(a) Must have any grant received from the Washington college grant program under this section reduced by an amount equal to all contributions received from all companies; and

(b) Must submit an affidavit, in a manner and form prescribed by the council, to the council and to the institution of higher education in which the student is enrolled. The affidavit must:

(i) Verify the amount of contributions the student has received from all companies; and

(ii) Attest to the student's reduced Washington college grant funding to be received.

NEW SECTION. **Sec.**  A new section is added to chapter 82.04 RCW to read as follows:

(1) Subject to the limitations in this section, a company that owes a surcharge under RCW 82.04.299 or is subject to the tax under RCW 82.04.290(2)(i) is allowed a credit against the surcharge under RCW 82.04.299 for contributions made by that company to any eligible student for the purposes of pursuing higher education.

(2) The credit is equal to the total amount of contributions made to all eligible students in a calendar year. The credit may not exceed the amount of the surcharge otherwise due under RCW 82.04.299 or the amount of the tax otherwise due under RCW 82.04.290(2)(i). The credit may be used against the surcharge due on tax returns due after January 31st of the calendar year in which the application was approved and before February 1st of the following calendar year. No refunds may be granted for credits under this section. A company taking an exemption under this subsection must keep and preserve records for the period required by RCW 82.32.070, documenting contributions made to qualifying students.

(3) To receive the credit, a company must submit an application to the department. Applications for tax credits under this section must be received by the department between the first day of January and the thirty-first day of January, following the calendar year in which the applicant made contributions to eligible students. The application must be made to the department in a form and manner prescribed by the department. The application must contain information including the number of eligible students to which contributions were made, the amounts paid to eligible students in total and by individual contribution, and any other information required by the department.

(4) If the eligible student who is the recipient of a qualifying contribution returns some or all of the contribution to the company for any reason, the company must file an amended return.

(5) An eligible student receiving a contribution from a company under this section must follow notification requirements outlined in RCW 28B.92.200(13). The company providing the contribution must inform the eligible student of these notification requirements upon disbursement of the contribution.

(6) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Contributions" means direct financial assistance in the form of bona fide grants, scholarships, or tuition reimbursement payments provided to an eligible student for the purposes of assisting the student with the pursuit of higher education. Contributions must be used by the student to cover costs related to tuition, books, fees, room, and housing.

(b) "Eligible student" means any individual who is:

(i) Enrolled in an institution of higher education in Washington state; and

(ii) Eligible for the Washington college grant program under RCW 28B.92.200."

 Renumber the remaining sections consecutively and correct any internal references accordingly.

Correct the title.

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|  |  EFFECT:  Authorizes a credit against the 1.75 percent business and occupation tax rate or the advanced computing surcharge if the taxpayer makes a contribution to a student to pursue higher education.  |

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