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**ENGROSSED SECOND SUBSTITUTE SENATE BILL 5393**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Palumbo, Rolfes, Frockt, McCoy, Wellman, Liias, Pedersen, Darneille, Dhingra, Van De Wege, Hunt, Wilson, C., Keiser, and Kuderer; by request of Office of the Governor)

AN ACT Relating to establishing a statewide free college program by changing the state need grant to the Washington college promise scholarship; amending RCW 28B.92.030, 43.88C.010, 28B.10.790, 28B.12.030, 28B.92.040, 28B.92.065, 28B.15.065, 28B.15.740, 28B.15.760, 28B.15.762, 28B.15.820, 28B.116.010, 28A.180.120, 28B.76.502, 28B.76.525, 28B.76.526, 28B.76.540, 28B.76.699, 28B.77.020, 28B.117.020, 28B.118.090, 28B.133.010, 28B.133.020, and 28C.18.166; reenacting and amending RCW 28B.108.010, 28B.118.010, 28B.145.010, and 28B.145.030; adding new sections to chapter 28B.92 RCW; repealing RCW 28B.92.010, 28B.92.020, 28B.92.050, 28B.92.060, 28B.92.080, 28B.92.082, 28B.92.084, 28B.119.005, 28B.119.010, 28B.119.020, 28B.119.030, 28B.119.040, 28B.119.050, and 28B.119.900; and providing an effective date.

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

**PART I**

**CREATES THE WASHINGTON COLLEGE PROMISE SCHOLARSHIP**

**PROGRAM TO REPLACE THE STATE NEED GRANT PROGRAM**

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

(1) The legislature finds that individuals with a postsecondary credential have a greater chance of earning a wage that can support themselves and their families than if they do not obtain a postsecondary credential. At the same time, Washington employers are in need of many more individuals who possess postsecondary qualifications. Access to postsecondary opportunities are vital to ensure that more Washington high school graduates and working adults can enter and complete a postsecondary program and compete for the job opportunities available in the state.

(2) The legislature further finds that a statewide free college program, for students who demonstrate financial need as defined in section 3 of this act, is necessary to significantly reduce the financial costs of obtaining a postsecondary credential. The Washington college promise scholarship program is intended to increase access to postsecondary opportunities for Washington residents.

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

(1) The Washington college promise scholarship 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 promise scholarship 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 of student financial assistance shall implement and administer the Washington college promise scholarship program and is authorized to establish rules necessary for implementation of the program.

(3) The legislature shall appropriate funding for the Washington college promise scholarship program for eligible students whose family income is at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services. Allocations must be made on the basis of estimated eligible participants enrolled in eligible institutions of higher education or apprenticeship programs. All eligible students whose family income is at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services are entitled to a Washington college promise scholarship.

(4) The office shall award Washington college promise scholarships to all eligible students whose family income is at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services beginning in academic year 2021-22.

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

(a) Demonstrate financial need under section 3 of this act;

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

(ii) Be a student who has:

(A) Completed the full senior year of high school and obtained a high school diploma, or the equivalent, either at a Washington public high school or private high school approved under chapter 28A.195 RCW;

(B) Lived in Washington state for at least three years immediately before receiving the diploma or its equivalent;

(C) Continuously lived in Washington state after receiving the diploma or its equivalent and until such time as the individual is admitted to an eligible institution of higher education; and

(D) Been granted deferred action for childhood arrival status pursuant to the rules and regulations adopted by the United States citizenship and immigration services;

(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 promise scholarship 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 promise scholarship 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 scholarship 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 promise scholarship for any academic period in which he or she is enrolled on a part-time basis.

(11) The Washington college promise scholarship 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.

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

(1) In addition to other eligibility requirements outlined in this chapter, students who demonstrate financial need are eligible to receive the Washington college promise scholarship. For the purposes of this act, students who demonstrate financial need are students with family incomes at or below seventy percent of the state median family income, adjusted for family size.

(2) Students with family incomes at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services, shall receive the maximum Washington college promise scholarship award as defined in RCW 28B.92.030. Awards for students with incomes above one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services, and below seventy percent of the state median family income are subject to amounts appropriated and shall be prorated at the following percentages of the maximum Washington college promise scholarship award as defined in RCW 28B.92.030:

(a) One hundred percent for students with family incomes above one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services, but at or below fifty percent of the state median family income;

(b) Seventy percent for students with family incomes between fifty-one and fifty-five percent of the state median family income;

(c) Sixty-five percent for students with family incomes between fifty-six and sixty percent of the state median family income;

(d) Sixty percent for students with family incomes between sixty-one and sixty-five percent of the state median family income; and

(e) Fifty percent for students with family incomes between sixty-six and seventy percent of the state median family income.

**Sec.**  RCW 28B.92.030 and 2013 c 248 s 2 are each amended to read as follows:

As used in this chapter:

(1) "Council" means the student achievement council.

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

~~(3)~~)) "Financial aid" means loans and/or grants to ((~~needy~~)) students who demonstrate financial need enrolled or accepted for enrollment as a student at institutions of higher education.

(3) "Financial need" means a demonstrated financial inability to bear the total cost of education as directed in rule by the office.

(4) "Institution" or "institutions of higher education" means:

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

(b) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level that is a member institution of an accrediting association recognized by rule of the council for the purposes of this section and that agrees to and complies with program rules adopted pursuant to RCW 28B.92.150. However, any institution, branch, extension or facility operating within the state of Washington that is affiliated with an institution operating in another state must be:

(i) A separately accredited member institution of any such accrediting association;

(ii) A branch of a member institution of an accrediting association recognized by rule of the council for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent students; ((~~or~~))

(iii) A nonprofit institution recognized by the state of Washington as provided in RCW 28B.77.240; or

(iv) An approved apprenticeship program under chapter 49.04 RCW.

(5) ((~~"Needy student" means a posthigh school student of an institution of higher education who demonstrates to the office the financial inability, either through the student's parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter. "Needy student" also means an opportunity internship graduate as defined by RCW 28C.18.162 who enrolls in a postsecondary program of study as defined in RCW 28C.18.162 within one year of high school graduation.~~)) "Maximum Washington college promise scholarship award":

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, is tuition and estimated fees for fifteen quarter credit hours or the equivalent, as determined by the office, including operating fees, building fees, and services and activities fees.

(b) For students attending private four-year institutions of higher education in Washington, is the lesser of the maximum Washington college promise scholarship award under (a) of this subsection, or individual institution tuition for fifteen quarter credit hours or the equivalent.

(c) For students attending two-year private institutions of higher education in Washington, is the lesser of the maximum Washington college promise scholarship award at a community or technical college or individual institution tuition for fifteen quarter credit hours or the equivalent.

(d) For students attending approved apprenticeship programs, is tuition and fees, as determined by the office, in addition to required program supplies and equipment.

(6) "Office" means the office of student financial assistance.

((~~(7) "Placebound student" means a student who (a) is unable to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors; and (b) may be influenced by the receipt of an enhanced student financial aid award to complete a baccalaureate degree at an eligible institution.~~))

**PART II**

**CASELOAD FORECAST**

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

The caseload forecast council shall estimate the anticipated caseload of the Washington college promise scholarship program and submit the caseload forecast as specified in RCW 43.88C.020.

**Sec.**  RCW 43.88C.010 and 2018 c 208 s 4 are each amended to read as follows:

(1) The caseload forecast council is hereby created. The council shall consist of two individuals appointed by the governor and four individuals, one of whom is appointed by the chairperson of each of the two largest political caucuses in the senate and house of representatives. The chair of the council shall be selected from among the four caucus appointees. The council may select such other officers as the members deem necessary.

(2) The council shall employ a caseload forecast supervisor to supervise the preparation of all caseload forecasts. As used in this chapter, "supervisor" means the caseload forecast supervisor.

(3) Approval by an affirmative vote of at least five members of the council is required for any decisions regarding employment of the supervisor. Employment of the supervisor shall terminate after each term of three years. At the end of the first year of each three-year term the council shall consider extension of the supervisor's term by one year. The council may fix the compensation of the supervisor. The supervisor shall employ staff sufficient to accomplish the purposes of this section.

(4) The caseload forecast council shall oversee the preparation of and approve, by an affirmative vote of at least four members, the official state caseload forecasts prepared under RCW 43.88C.020. If the council is unable to approve a forecast before a date required in RCW 43.88C.020, the supervisor shall submit the forecast without approval and the forecast shall have the same effect as if approved by the council.

(5) A councilmember who does not cast an affirmative vote for approval of the official caseload forecast may request, and the supervisor shall provide, an alternative forecast based on assumptions specified by the member.

(6) Members of the caseload forecast council shall serve without additional compensation but shall be reimbursed for travel expenses in accordance with RCW 44.04.120 while attending sessions of the council or on official business authorized by the council. Nonlegislative members of the council shall be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(7) "Caseload," as used in this chapter, means:

(a) The number of persons expected to meet entitlement requirements and require the services of public assistance programs, state correctional institutions, state correctional noninstitutional supervision, state institutions for juvenile offenders, the common school system, long-term care, medical assistance, foster care, and adoption support;

(b) The number of students who are eligible for the Washington college bound scholarship program and are expected to attend an institution of higher education as defined in RCW 28B.92.030;

(c) The number of students whose family income is at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services, are eligible for the Washington college promise scholarship program under section 2 of this act, and are expected to attend an institution of higher education as defined in RCW 28B.92.030; and

(d) The number of children who are eligible, as defined in RCW 43.216.505, to participate in, and the number of children actually served by, the early childhood education and assistance program.

(8) The caseload forecast council shall forecast the temporary assistance for needy families and the working connections child care programs as a courtesy.

(9) The caseload forecast council shall forecast youth participating in the extended foster care program pursuant to RCW 74.13.031 separately from other children who are residing in foster care and who are under eighteen years of age.

(10) The caseload forecast council shall forecast the number of youth expected to receive behavioral rehabilitation services while involved in the foster care system and the number of screened in reports of child abuse or neglect.

(11) Unless the context clearly requires otherwise, the definitions provided in RCW 43.88.020 apply to this chapter.

**PART III**

**UPDATING REFERENCES**

**Sec.**  RCW 28B.10.790 and 2012 c 229 s 518 are each amended to read as follows:

Washington residents attending any nonprofit college or university in another state which has a reciprocity agreement with the state of Washington shall be eligible for the student financial aid program outlined in chapter 28B.92 RCW if:

(1) They qualify as a ((~~"needy student"~~)) student who demonstrates financial need as defined under RCW 28B.92.030((~~(4),~~)); and

(2) The institution attended is a member institution of an accrediting association recognized by rule of the student achievement council for the purposes of this section and is specifically encompassed within or directly affected by such reciprocity agreement and agrees to and complies with program rules and regulations pertaining to such students and institutions adopted pursuant to RCW 28B.92.150.

**Sec.**  RCW 28B.12.030 and 2017 c 52 s 1 are each amended to read as follows:

((~~As used~~)) The definitions in this section apply throughout this chapter((~~, the following words and terms shall have the following meanings,~~)) unless the context ((~~shall~~)) clearly ((~~indicate another or different meaning or intent:~~)) requires otherwise.

(1) ((~~The term "needy student" shall mean a student enrolled or accepted for enrollment at a postsecondary institution who, according to a system of need analysis approved by the office of student financial assistance, demonstrates a financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter.~~

~~(2) The term~~)) "Eligible institution" ((~~shall~~)) means any postsecondary institution in this state accredited by the Northwest Association of Schools and Colleges, or a campus of a member institution of an accrediting association recognized by rule of the student achievement council for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, or any public technical college in the state.

(2) "Financial need" has the same meaning as in RCW 28B.92.030.

**Sec.**  RCW 28B.92.040 and 2011 1st sp.s. c 11 s 160 are each amended to read as follows:

The office shall be cognizant of the following guidelines in the performance of its duties:

(1) The office shall be research oriented, not only at its inception but continually through its existence.

(2) The office shall coordinate all existing programs of financial aid except those specifically dedicated to a particular institution by the donor.

(3) The office shall take the initiative and responsibility for coordinating all federal student financial aid programs to ensure that the state recognizes the maximum potential effect of these programs, and shall design state programs that complement existing federal, state, and institutional programs. ((~~The office shall ensure that state programs continue to follow the principle that state financial aid funding follows the student to the student's choice of institution of higher education.~~))

(4) Counseling is a paramount function of the ((~~state need grant~~)) Washington college promise scholarship program and other state student financial aid programs, and in most cases could only be properly implemented at the institutional levels; therefore, state student financial aid programs shall be concerned with the attainment of those goals which, in the judgment of the office, are the reasons for the existence of a student financial aid program, and not solely with administration of the program on an individual basis.

(5) The "package" approach of combining loans, grants and employment for student financial aid shall be the conceptual element of the state's involvement.

(6) The office shall ensure that allocations of state appropriations for financial aid are made to individuals and institutions in a timely manner and shall closely monitor expenditures to avoid under or overexpenditure of appropriated funds.

**Sec.**  RCW 28B.92.065 and 2015 3rd sp.s. c 36 s 4 are each amended to read as follows:

Beginning with the 2015-2017 omnibus appropriations act and each biennium thereafter, reductions in tuition levels resulting from section 3, chapter 36, Laws of 2015 3rd sp. sess. will allow the legislature to reduce ((~~state need grant~~)) Washington college promise scholarship program appropriations by an equal amount from the 2013-2015 fiscal biennium amounts. The legislature does not intend to reduce award levels for private colleges and universities below the 2014-15 academic year levels.

((~~By reducing the overall cost of tuition, the legislature in future biennia is better able and intends to serve those students currently eligible but unserved in the state need grant.~~))

**Sec.**  RCW 28B.15.065 and 1977 ex.s. c 322 s 6 are each amended to read as follows:

It is the intent of the legislature that ((~~needy~~)) students who demonstrate financial need not be deprived of access to higher education due to increases in educational costs or consequent increases in tuition and fees. It is the sense of the legislature that state appropriations for student financial aid be adjusted in an amount which together with funds estimated to be available in the form of basic educational opportunity grants as authorized under Section 411 of the federal Higher Education Act of 1965 as now or hereafter amended will equal twenty-four percent of any change in revenue estimated to occur as a result of revisions in tuition and fee levels under the provisions of chapter 322, Laws of 1977 ex. sess.

**Sec.**  RCW 28B.15.740 and 2015 c 55 s 223 are each amended to read as follows:

(1) Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges may waive all or a portion of tuition and fees for ((~~needy~~)) students who demonstrate financial need and are eligible for resident tuition and fee rates pursuant to RCW 28B.15.012 and 28B.15.013. Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges may waive all or a portion of tuition and fees for other students at the discretion of the governing boards, except on the basis of participation in intercollegiate athletic programs, not to exceed three-fourths of one percent of gross authorized operating fees revenue under RCW 28B.15.910 for the community and technical colleges considered as a whole and not to exceed two percent of gross authorized operating fees revenue for the other institutions of higher education.

(2) In addition to the tuition and fee waivers provided in subsection (1) of this section and subject to the provisions of RCW 28B.15.455, 28B.15.460, and 28B.15.910, a total dollar amount of tuition and fee waivers awarded by any state university, regional university, or state college under this chapter, not to exceed one percent, as calculated in subsection (1) of this section, may be used for the purpose of achieving or maintaining gender equity in intercollegiate athletic programs. At any institution that has an underrepresented gender class in intercollegiate athletics, any such waivers shall be awarded:

(a) First, to members of the underrepresented gender class who participate in intercollegiate athletics, where such waivers result in saved or displaced money that can be used for athletic programs for the underrepresented gender class. Such saved or displaced money shall be used for programs for the underrepresented gender class; and

(b) Second, (i) to nonmembers of the underrepresented gender class who participate in intercollegiate athletics, where such waivers result in saved or displaced money that can be used for athletic programs for members of the underrepresented gender class. Such saved or displaced money shall be used for programs for the underrepresented gender class; or (ii) to members of the underrepresented gender class who participate in intercollegiate athletics, where such waivers do not result in any saved or displaced money that can be used for athletic programs for members of the underrepresented gender class.

**Sec.**  RCW 28B.15.760 and 2012 c 229 s 528 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 28B.15.762 and 28B.15.764.

(1) "Borrower" means an eligible student who has received a loan under RCW 28B.15.762.

(2) "Council" means the student achievement council.

(3) "Eligible student" means a student registered for at least ten credit hours or the equivalent and demonstrates achievement of a 3.00 grade point average for each academic year, who is a resident student as defined by RCW 28B.15.012 through 28B.15.015, who is a ((~~"needy~~)) student((~~"~~)) who demonstrates financial need as defined in RCW 28B.92.030, and who has a declared major in a program leading to a degree in teacher education in a field of science or mathematics, or a certificated teacher who meets the same credit hour and ((~~"needy student"~~)) financial eligibility requirements and is seeking an additional degree in science or mathematics.

(4) "Forgiven" or "to forgive" means to collect service as a teacher in a field of science or mathematics at a public school in the state of Washington in lieu of monetary payment.

(5) "Institution of higher education" or "institution" means a college or university in the state of Washington which is a member institution of an accrediting association recognized as such by rule of the council.

(6) "Office" means the office of student financial assistance.

(7) "Public school" means a middle school, junior high school, or high school within the public school system referred to in Article IX of the state Constitution.

(8) "Satisfied" means paid-in-full.

**Sec.**  RCW 28B.15.762 and 2012 c 229 s 529 are each amended to read as follows:

(1) The council may make long-term loans to eligible students at institutions of higher education from the funds appropriated to the council for this purpose. The amount of any such loan shall not exceed the demonstrated financial need of the student or two thousand five hundred dollars for each academic year whichever is less, and the total amount of such loans to an eligible student shall not exceed ten thousand dollars. The interest rates and terms of deferral of such loans shall be consistent with the terms of the guaranteed loan program established by 20 U.S.C. Sec. 1701 et seq. The period for repaying the loan principal and interest shall be ten years with payments accruing quarterly commencing nine months from the date the borrower graduated. The entire principal and interest of each loan payment shall be forgiven for each payment period in which the borrower teaches science or mathematics in a public school in this state until the entire loan is satisfied or the borrower ceases to teach science or mathematics at a public school in this state. Should the borrower cease to teach science or mathematics at a public school in this state before the time in which the principal and interest on the loan are satisfied, payments on the unsatisfied portion of the principal and interest on the loan shall begin the next payment period and continue until the remainder of the loan is paid.

(2) The council is responsible for collection of loans made under subsection (1) of this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Collection and servicing of loans under subsection (1) of this section shall be pursued using the full extent of the law, including wage garnishment if necessary, and shall be performed by entities approved for such servicing by the Washington student loan guaranty association or its successor agency. The council is responsible to forgive all or parts of such loans under the criteria established in subsection (1) of this section and shall maintain all necessary records of forgiven payments.

(3) Receipts from the payment of principal or interest or any other subsidies to which the council as lender is entitled, which are paid by or on behalf of borrowers under subsection (1) of this section, shall be deposited with the office and shall be used to cover the costs of making the loans under subsection (1) of this section, maintaining necessary records, and making collections under subsection (2) of this section. The office shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to make loans to eligible students.

(4) Any funds not used to make loans, or to cover the cost of making loans or making collections, shall be placed in the state educational trust fund for ((~~needy or disadvantaged~~)) students who demonstrate financial need.

(5) The council shall adopt necessary rules to implement this section.

**Sec.**  RCW 28B.15.820 and 2009 c 215 s 9 are each amended to read as follows:

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

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

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

(4) Before approving a guaranteed long-term loan, each institution shall analyze the ability of the student to repay the loan based on factors which include, but are not limited to, the student's accumulated total education loan burdens and the employment opportunities and average starting salary characteristics of the student's chosen fields of study. The institution shall counsel the student on the advisability of acquiring additional debt, and on the availability of other forms of financial aid.

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

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

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

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

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

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

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

**Sec.**  RCW 28B.108.010 and 2011 1st sp.s. c 11 s 191 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Eligible student" or "student" means an American Indian who is a ((~~financially needy~~)) student who demonstrates financial need, as defined in RCW 28B.92.030, who is a resident student, as defined by RCW 28B.15.012(2), who is a full-time student at an institution of higher education, and who promises to use his or her education to benefit other American Indians.

(2) "Institution of higher education" or "institution" means a college or university in the state of Washington which is accredited by an accrediting association recognized as such by rule of the council for higher education.

(3) "Office" means the office of student financial assistance.

**Sec.**  RCW 28B.116.010 and 2013 c 39 s 10 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Cost of attendance" means the cost associated with the attendance of the institution of higher education as determined by the office of student financial assistance, including but not limited to tuition, room, board, and books.

(2) "Eligible student" means a student who:

(a) Is between the ages of sixteen and twenty-three;

(b) Has been in foster care in the state of Washington for a minimum of six months since his or her fourteenth birthday;

(c) Is a ((~~financially needy~~)) student who demonstrates financial need, as defined in RCW 28B.92.030;

(d) Is a resident student, as defined in RCW 28B.15.012(2);

(e) Has entered or will enter an institution of higher education in Washington state within three years of high school graduation or having successfully completed his or her high school equivalency certificate as provided in RCW 28B.50.536;

(f) Is not pursuing a degree in theology; and

(g) Makes satisfactory progress towards the completion of a degree or certificate program.

(3) "Institution of higher education" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the student achievement council.

(4) "Office" means the office of student financial assistance.

**Sec.**  RCW 28A.180.120 and 2017 c 236 s 4 are each amended to read as follows:

In 2017, funds must be appropriated for the purposes in this section.

(1) The professional educator standards board, beginning in the 2017-2019 biennium, shall administer the bilingual educator initiative, which is a long-term program to recruit, prepare, and mentor bilingual high school students to become future bilingual teachers and counselors.

(2) Subject to the availability of amounts appropriated for this specific purpose, pilot projects must be implemented in one or two school districts east of the crest of the Cascade mountains and one or two school districts west of the crest of the Cascade mountains, where immigrant students are shown to be rapidly increasing. Districts selected by the professional educator standards board must partner with at least one two-year and one four-year college in planning and implementing the program. The professional educator standards board shall provide oversight.

(3) Participating school districts must implement programs, including: (a) An outreach plan that exposes the program to middle school students and recruits them to enroll in the program when they begin their ninth grade of high school; (b) activities in ninth and tenth grades that help build student agency, such as self-confidence and awareness, while helping students to develop academic mind-sets needed for high school and college success; the value and benefits of teaching and counseling as careers; and introduction to leadership, civic engagement, and community service; (c) credit-bearing curricula in grades eleven and twelve that include mentoring, shadowing, best practices in teaching in a multicultural world, efficacy and practice of dual language instruction, social and emotional learning, enhanced leadership, civic engagement, and community service activities.

(4) There must be a pipeline to college using two-year and four-year college faculty and consisting of continuation services for program participants, such as advising, tutoring, mentoring, financial assistance, and leadership.

(5) High school and college teachers and counselors must be recruited and compensated to serve as mentors and trainers for participating students.

(6) After obtaining a high school diploma, students qualify to receive conditional loans to cover the full cost of college tuition, fees, and books. To qualify for funds, students must meet program requirements as developed by their local implementation team, which consists of staff from their school district and the partnering two-year and four-year college faculty.

(7) In order to avoid loan repayment, students must (a) earn their baccalaureate degree and certification needed to serve as a teacher or professional guidance counselor; and (b) teach or serve as a counselor in their educational service district region for at least five years. Students who do not meet the repayment terms in this subsection are subject to repaying all or part of the financial aid they receive for college unless students are recipients of funding provided through programs such as the ((~~state need grant~~)) Washington college promise scholarship program or the college bound scholarship program.

(8) Grantees must work with the professional educator standards board to draft the report required in section 6, chapter 236, Laws of 2017.

(9) The professional educator standards board may adopt rules to implement this section.

**Sec.**  RCW 28B.76.502 and 2017 c 177 s 1 are each amended to read as follows:

(1) The office must provide a financial aid counseling curriculum to institutions of higher education with ((~~state need grant~~)) Washington college promise scholarship recipients. The curriculum must be available via a web site. The curriculum must include, but not be limited to:

(a) An explanation of the ((~~state need grant~~)) Washington college promise scholarship program rules, including maintaining satisfactory progress, repayment rules, and usage limits;

(b) Information on campus and private scholarships and work‑study opportunities, including the application processes;

(c) An overview of student loan options with an emphasis on the repayment obligations a student borrower assumes regardless of program completion, including the likely consequences of default and sample monthly repayment amounts based on a range of student levels of indebtedness;

(d) An overview of personal finance, including basic money management skills such as living within a budget and handling credit and debt;

(e) Average salaries for a wide range of jobs;

(f) Financial education that meets the needs of, and includes perspectives from, a diverse group of students who are or were recipients of financial aid, including student loans, who may be trained by the financial education public-private partnership; and

(g) Contact information for local financial aid resources and the federal student aid ombuds' office.

(2) By the 2013‑14 academic year, the institution of higher education must take reasonable steps to ensure that each ((~~state need grant~~)) Washington college promise scholarship recipient receives information outlined in subsection (1)(a) through (g) of this section by directly referencing or linking to the web site on the conditions of award statement provided to each recipient.

(3) By July 1, 2013, the office must disseminate the curriculum to all institutions of higher education participating in the ((~~state need grant~~)) Washington college promise scholarship program. The institutions of higher education may require ((~~nonstate need grant recipients~~)) students who are not participating in the Washington college promise scholarship program to participate in all or portions of the financial aid counseling.

(4) Subject to the availability of amounts appropriated for this specific purpose, by the 2017-18 academic year, each institution of higher education must take reasonable steps to ensure that the institution presents, and each incoming student participates in, a financial education workshop. The scope of the workshop must include, but is not limited to, the information outlined in subsection (1)(b) through (g) of this section, and include recommendations by the financial education public-private partnership. The institutions are encouraged to present these workshops during student orientation or as early as possible in the academic year.

**Sec.**  RCW 28B.76.525 and 2011 1st sp.s. c 11 s 110 are each amended to read as follows:

(1) The state financial aid account is created in the custody of the state treasurer. The primary purpose of the account is to ensure that all appropriations designated for financial aid through statewide student financial aid programs are made available to eligible students. The account shall be a nontreasury account.

(2) The office shall deposit in the account all money received for the ((~~state need grant~~)) Washington college promise scholarship program ((~~established under RCW 28B.92.010~~)) created under section 2 of this act, the state work-study program established under chapter 28B.12 RCW, the Washington scholars program established under RCW 28A.600.110, the Washington award for vocational excellence program established under RCW 28C.04.525, and the educational opportunity grant program established under chapter 28B.101 RCW. The account shall consist of funds appropriated by the legislature for the programs listed in this subsection and private contributions to the programs. Moneys deposited in the account do not lapse at the close of the fiscal period for which they were appropriated. Both during and after the fiscal period in which moneys were deposited in the account, the office may expend moneys in the account only for the purposes for which they were appropriated, and the expenditures are subject to any other conditions or limitations placed on the appropriations.

(3) Expenditures from the account shall be used for scholarships to students eligible for the programs according to program rules and policies.

(4) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.

(5) Only the director of the office or the director's designee may authorize expenditures from the account.

**Sec.**  RCW 28B.76.526 and 2018 c 232 s 10 are each amended to read as follows:

The Washington opportunity pathways account is created in the state treasury. Expenditures from the account may be used only for programs in chapter 28A.710 RCW (charter schools), chapter 28B.12 RCW (state work-study), chapter 28B.50 RCW (opportunity grant), RCW 28B.76.660 (Washington scholars award), RCW 28B.76.670 (Washington award for vocational excellence), chapter 28B.92 RCW (((~~state need grant~~)) Washington college promise scholarship program), chapter 28B.105 RCW (GET ready for math and science scholarship), chapter 28B.117 RCW (passport to careers), chapter 28B.118 RCW (college bound scholarship), ((~~chapter 28B.119 RCW (Washington promise scholarship),~~)) and chapter ((~~43.215~~)) 43.216 RCW (early childhood education and assistance program).

**Sec.**  RCW 28B.76.540 and 2011 1st sp.s. c 11 s 111 are each amended to read as follows:

In addition to administrative responsibilities assigned in this chapter, the office shall administer the programs set forth in the following statutes: RCW 28A.600.100 through 28A.600.150 (Washington scholars); chapter 28B.85 RCW (degree-granting institutions); chapter 28B.92 RCW (((~~state need grant~~)) Washington college promise scholarship); chapter 28B.12 RCW (work-study); RCW 28B.15.543 (((~~tuition waivers for Washington scholars~~)) grants for undergraduate coursework); RCW 28B.15.760 through 28B.15.766 (math and science loans); RCW 28B.15.100 (reciprocity agreement); RCW 28B.15.730 through 28B.15.734 (Oregon reciprocity); RCW 28B.15.750 and 28B.15.752 (Idaho reciprocity); RCW 28B.15.756 (British Columbia reciprocity); chapter 28B.101 RCW (educational opportunity grant); chapter 28B.102 RCW (future teachers conditional scholarship); chapter 28B.108 RCW (American Indian endowed scholarship); chapter 28B.109 RCW (Washington international exchange scholarship); chapter 28B.115 RCW (health professional conditional scholarship); ((~~chapter 28B.119 RCW (Washington promise scholarship);~~)) and chapter 28B.133 RCW (gaining independence for students with dependents).

**Sec.**  RCW 28B.76.699 and 2016 c 233 s 17 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office shall administer a student teaching residency grant program to provide additional funds to individuals completing student teaching residencies at public schools in Washington.

(2) To qualify for the grant, recipients must be enrolled in a professional educator standards board-approved teacher preparation program, be completing or about to start a student teaching residency at a Title I school, and demonstrate financial need, as defined by the office and consistent with the income criteria required to receive the ((~~state need grant established~~)) Washington college promise scholarship created in chapter 28B.92 RCW.

(3) The office shall establish rules for administering the grants under this section.

**Sec.**  RCW 28B.77.020 and 2015 c 83 s 2 are each amended to read as follows:

(1) Aligned with the state's biennial budget and policy cycles, the council shall propose educational attainment goals and priorities to meet the state's evolving needs. The council shall identify strategies for meeting the goals and priorities by means of a short-term strategic action plan and a ten-year plan that serves as a roadmap.

(a) The goals must address the needs of Washington residents to reach higher levels of educational attainment and Washington's workforce needs for certificates and degrees in particular fields of study.

(b) The council shall identify the resources it deems appropriate to meet statewide goals and also recognize current state economic conditions and state resources.

(c) In proposing goals, the council shall collaborate with the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the four-year institutions of higher education, independent colleges and degree-granting institutions, certificate-granting institutions, and the workforce training and education coordinating board.

(2) The council shall update the strategic action plan every two years with the first strategic action plan to be submitted to the governor and the legislature by December 1, 2012. The ten-year roadmap must be updated every two years with the first roadmap to be submitted to the governor and the legislature by December 1, 2013. The council must provide regular updates to the joint higher education committee created in RCW 44.04.360 as needed.

(3) In order to develop the ten-year roadmap, the council shall conduct strategic planning in collaboration with agencies and stakeholders and include input from the legislature. The council must also consult with the STEM education innovation alliance established under RCW 28A.188.030 in order to align strategies under the roadmap with the STEM framework for education and accountability developed by the alliance. The roadmap must encompass all sectors of higher education, including secondary to postsecondary transitions. The roadmap must outline strategies that address:

(a) Strategic planning, which includes setting benchmarks and goals for long-term degree production generally and in particular fields of study;

(b) Expanding access, affordability, quality, efficiency, and accountability among the various institutions of higher education;

(c) Higher education finance planning and strategic investments including budget recommendations necessary to meet statewide goals;

(d) System design and coordination;

(e) Improving student transitions;

(f) Higher education data and analysis, in collaboration with the education data center, which includes outcomes for recruitment, retention, and success of students;

(g) College and career access preparedness, in collaboration with the office of the superintendent of public instruction and the state board of education;

(h) Expanding participation and success for racial and ethnic minorities in higher education;

(i) Development and expansion of innovations in higher education including innovations to increase attainment of postsecondary certificates, and associate, baccalaureate, graduate, and professional degrees; and innovations to improve precollege education in terms of cost-effectiveness and transitions to college-level education;

(j) Strengthening the education pipeline and degree production in science, technology, engineering, and mathematics fields, and aligning strategies under the roadmap with the STEM framework for action and accountability developed under RCW 28A.188.030; and

(k) Relevant policy research.

(4) As needed, the council must conduct system reviews consistent with RCW 28B.77.080.

(5) The council shall facilitate the development and expansion of innovative practices within, between, and among the sectors to increase educational attainment and assess the effectiveness of the innovations.

(6) The council shall use the data and analysis produced by, and in consultation with, the education data center created in RCW 43.41.400 in developing policy recommendations and proposing goals. In conducting research and analysis the council at a minimum must:

(a) Identify barriers to increasing educational attainment, evaluate effectiveness of various educational models, identify best practices, and recommend methods to overcome barriers;

(b) Analyze data from multiple sources including data from academic research and from areas and agencies outside of education including but not limited to data from the department of health, the department of corrections, and the department of social and health services to determine best practices to remove barriers and to improve educational attainment;

(c) Assess educational achievement disaggregated by income level, age, gender, race and ethnicity, country of origin, and other relevant demographic groups working with data from the education data center;

(d) Track progress toward meeting the state's goals;

(e) Communicate results and provide access to data analysis to policymakers, the superintendent of public instruction, institutions of higher education, students, and the public; and

(f) Use data from the education data center wherever appropriate to conduct duties in (a) through (e) of this subsection.

(7) The council shall collaborate with the appropriate state agencies and stakeholders, including the state board of education, the office of the superintendent of public instruction, the state board for community and technical colleges, the workforce training and education coordinating board, and the four-year institutions of higher education to improve student transitions and success including but not limited to:

(a) Setting minimum college admission standards for four-year institutions of higher education, including:

(i) A requirement that coursework in American sign language or an American Indian language satisfies any requirement for instruction in a language other than English that the council or the institutions may establish as a general undergraduate admissions requirement; and

(ii) Encouragement of the use of multiple measures to determine whether a student must enroll in a precollege course, such as placement tests, the SAT, high school transcripts, college transcripts, or initial class performance;

(b) Proposing comprehensive policies and programs to encourage students to prepare for, understand how to access, and pursue postsecondary college and career programs, including specific policies and programs for students with disabilities;

(c) Recommending policies that require coordination between or among sectors such as dual high school-college programs, awarding college credit for advanced high school work, and transfer between two and four-year institutions of higher education or between different four-year institutions of higher education; and

(d) Identifying transitions issues and solutions for students, from high school to postsecondary education including community and technical colleges, four-year institutions of higher education, apprenticeships, training, or workplace education; between two-year and four-year institutions of higher education; and from postsecondary education to career. In addressing these issues the council must recognize that these transitions may occur multiple times as students continue their education.

(8) The council directs the work of the office, which includes administration of student financial aid programs under RCW 28B.76.090, including the ((~~state need grant~~)) Washington college promise scholarship and other scholarships, the Washington advanced college tuition payment program, and work-study programs.

(9) The council may administer state and federal grants and programs including but not limited to those programs that provide incentives for improvements related to increased access and success in postsecondary education.

(10) The council shall protect higher education consumers including:

(a) Approving degree-granting postsecondary institutions consistent with existing statutory criteria;

(b) Establishing minimum criteria to assess whether students who attend proprietary institutions of higher education shall be eligible for the ((~~state need grant~~)) Washington college promise scholarship and other forms of state financial aid.

(i) The criteria shall include retention rates, completion rates, loan default rates, and annual tuition increases, among other criteria for students who receive ((~~state need grant as~~)) the Washington college promise scholarship in chapter 28B.92 RCW and any other state financial aid.

(ii) The council may remove proprietary institutions of higher education from eligibility for the ((~~state need grant~~)) Washington college promise scholarship or other form of state financial aid if it finds that the institution or college does not meet minimum criteria.

(iii) The council shall report by December 1, 2014, to the joint higher education committee in RCW 44.04.360 on the outcomes of students receiving ((~~state need grants~~)) Washington college promise scholarships, impacts on meeting the state's higher education goals for educational attainment, and options for prioritization of the ((~~state need grant~~)) Washington college promise scholarship and possible consequences of implementing each option. When examining options for prioritizing the ((~~state need grant~~)) Washington college promise scholarship the council shall consider awarding ((~~grants~~)) scholarships based on need rather than date of application and making awards based on other criteria selected by the council.

(11) The council shall adopt residency requirements by rule.

(12) The council shall arbitrate disputes between and among four-year institutions of higher education and the state board for community and technical colleges at the request of one or more of the institutions involved, or at the request of the governor, or from a resolution adopted by the legislature. The decision of the council shall be binding on the participants in the dispute.

(13) The council may solicit, accept, receive, and administer federal funds or private funds, in trust, or otherwise, and contract with foundations or with for-profit or nonprofit organizations to support the purposes and functions of the council.

(14) The council shall represent the broad public interest above the interests of the individual institutions of higher education.

**Sec.**  RCW 28B.117.020 and 2018 c 232 s 3 are each amended to read as follows:

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

(1) "Apprentice" means a person enrolled in a state-approved, federally registered, or reciprocally recognized apprenticeship program.

(2) "Apprenticeship" means an apprenticeship training program approved or recognized by the state apprenticeship council or similar federal entity.

(3) "Cost of attendance" means the cost associated with attending a particular institution of higher education as determined by the office, including but not limited to tuition, fees, room, board, books, personal expenses, and transportation, plus the cost of reasonable additional expenses incurred by an eligible student and approved by a financial aid administrator at the student's school of attendance.

(4) "Federal foster care system" means the foster care program under the federal unaccompanied refugee minors program, Title 8 U.S.C. Sec. 1522 of the immigration and nationality act.

(5) "Financial need" means the difference between a student's cost of attendance and the student's total family contribution as determined by the method prescribed by the United States department of education.

(6) "Homeless" or "homelessness" means without a fixed, regular, and adequate nighttime residence as set forth in the federal McKinney-Vento homeless assistance act, 42 U.S.C. Sec. 11301 et seq.

(7) "Independent college or university" means a private, nonprofit institution of higher education, open to residents of the state, providing programs of education beyond the high school level leading to at least the baccalaureate degree, and accredited by the Northwest association of schools and colleges, and other institutions as may be developed that are approved by the student achievement council as meeting equivalent standards as those institutions accredited under this section.

(8) "Institution of higher education" means any institution eligible to and participating in the ((~~state need grant~~)) Washington college promise scholarship program.

(9) "Occupational-specific costs" means the costs associated with entering an apprenticeship or preapprenticeship, including but not limited to fees, tuition for classes, work clothes, rain gear, boots, occupation-specific tools.

(10) "Office" means the office of student financial assistance.

(11) "Preapprenticeship" means an apprenticeship preparation program recognized by the state apprenticeship council and as defined in RCW 28C.18.162.

(12) "Program" means the passport to careers program created in this chapter.

(13) "State foster care system" means out-of-home care pursuant to a dependency and includes the placement of dependents from other states who are placed in Washington pursuant to orders issued under the interstate compact on the placement of children, chapter 26.34 RCW.

(14) "Tribal court" has the same meaning as defined in RCW 13.38.040.

(15) "Tribal foster care system" means an out-of-home placement under a dependency order from a tribal court.

(16) "Unaccompanied" means a youth or young adult experiencing homelessness while not in the physical custody of a parent or guardian.

**Sec.**  RCW 28B.118.010 and 2018 c 204 s 1 and 2018 c 12 s 1 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~~)) Washington college promise scholarship 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;

(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; or

(c) Were dependent pursuant to chapter 13.34 RCW and were adopted between the ages of fourteen and eighteen with a negotiated adoption agreement that includes continued eligibility for the Washington state college bound scholarship program pursuant to RCW 74.13A.025.

(2) Eligible students and the students' parents or guardians shall be notified of the student's eligibility for the Washington college bound scholarship program beginning in the student's seventh grade year. Students and the students' parents or guardians 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)(i) Beginning in the 2018-19 academic year, the office of student financial assistance shall make multiple attempts to secure the signature of the student's parent or guardian for the purpose of witnessing the pledge.

(ii) If the signature of the student's parent or guardian is not obtained, the office of student financial assistance may partner with the school counselor or administrator to secure the parent's or guardian's signature to witness the pledge. The school counselor or administrator shall make multiple attempts via all phone numbers, email addresses, and mailing addresses on record to secure the parent's or guardian's signature. All attempts to contact the parent or guardian must be documented and maintained in the student's official file.

(iii) If a parent's or guardian's signature is still not obtained, the school counselor or administrator shall indicate to the office of student financial assistance the nature of the unsuccessful efforts to contact the student's parent or guardian and the reasons the signature is not available. Then the school counselor or administrator may witness the pledge unless the parent or guardian has indicated that he or she does not wish for the student to participate in the program.

(c) 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 office of student financial assistance 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 (e). A student who is eligible to receive the Washington college bound scholarship because the student is a resident student under RCW 28B.15.012(2)(e) must provide the institution, as defined in RCW 28B.15.012, an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses.

(ii) For eligible children as defined in subsection (1)(b) and (c) of this section, to receive the Washington college bound scholarship, a student must have received a high school equivalency certificate as provided in RCW 28B.50.536 or have graduated 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 (e).

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 or the representative average of awards granted to students in public research universities in Washington in the 2014-15 academic year, whichever is greater.

(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 or the representative average of awards granted to students in public community and technical colleges in Washington in the 2014-15 academic year, whichever is greater.

(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.118.090 and 2015 c 244 s 6 are each amended 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~~)) Washington college promise scholarship program.

(2) Beginning May 12, 2015, 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.

**Sec.**  RCW 28B.133.010 and 2013 c 248 s 4 are each amended to read as follows:

The educational assistance grant program for students with dependents is hereby created, subject to the availability of receipts of gifts, grants, or endowments from private sources. The program is created to serve financially needy students with dependents eighteen years of age or younger, by assisting them directly through a grant program to pursue a degree or certificate at public or private institutions of higher education, as defined in RCW 28B.92.030(4) (a) and (b) (i) and (ii), that participate in the ((~~state need grant~~)) Washington college promise scholarship program.

**Sec.**  RCW 28B.133.020 and 2004 c 275 s 73 are each amended to read as follows:

To be eligible for the educational assistance grant program for students with dependents, applicants shall: (1) Be residents of the state of Washington; (2) be needy students as defined in RCW 28B.92.030((~~(3)~~)); (3) be eligible to participate in the ((~~state need grant~~)) Washington college promise scholarship program as set forth under ((~~RCW 28B.92.080~~)) chapter 28B.92 RCW; and (4) have dependents eighteen years of age or younger who are under their care.

**Sec.**  RCW 28B.145.010 and 2018 c 254 s 9, 2018 c 209 s 6, and 2018 c 114 s 2 are each reenacted and amended to read as follows:

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

(1) "Board" means the opportunity scholarship board.

(2) "Council" means the student achievement council.

(3) "Eligible advanced degree program" means a health professional degree program beyond the baccalaureate level and includes graduate and professional degree programs.

(4) "Eligible county" has the same meaning as "rural county" as defined in RCW 82.14.370 and also includes any county that shares a common border with Canada and has a population of over one hundred twenty-five thousand.

(5) "Eligible education programs" means high employer demand and other programs of study as determined by the board.

(6) "Eligible expenses" means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, room and board, and other expenses as determined by the program administrator in consultation with the council and the state board for community and technical colleges.

(7) "Eligible school district" means a school district of the second class as identified in RCW 28A.300.065(2).

(8) "Eligible student" means a resident student who received his or her high school diploma or high school equivalency certificate as provided in RCW 28B.50.536 in Washington and who:

(a)(i) Has been accepted at a four-year institution of higher education into an eligible education program leading to a baccalaureate degree;

(ii) Will attend a two-year institution of higher education and intends to transfer to an eligible education program at a four-year institution of higher education;

(iii) Has been accepted at an institution of higher education into a professional-technical degree program in an eligible education program; ((~~or~~))

(iv) Has been accepted at an institution of higher education into a professional-technical certificate program in an eligible education program; or

(v) Has been accepted at an institution of higher education into an eligible advanced degree program and has agreed to the service obligation established by the board;

(b) Declares an intention to obtain a professional-technical certificate, professional-technical degree, ((~~or~~)) baccalaureate degree((~~[,]~~)), or an advanced degree; and

(c) Has a family income at or below one hundred twenty-five percent of the state median family income at the time the student applies for an opportunity scholarship.

(9) "Gift aid" means financial aid received from the federal Pell grant, the ((~~state need grant~~)) Washington college promise scholarship program in chapter 28B.92 RCW, the college bound scholarship program in chapter 28B.118 RCW, the opportunity grant program in chapter 28B.50 RCW, the opportunity scholarship program in this chapter, or any other state grant, scholarship, or worker retraining program that provides funds for educational purposes with no obligation of repayment. "Gift aid" does not include student loans, work-study programs, the basic food employment and training program administered by the department of social and health services, or other employment assistance programs that provide job readiness opportunities and support beyond the costs of tuition, books, and fees.

(10) "High employer demand program of study" has the same meaning as provided in RCW 28B.50.030.

(11) "Participant" means an eligible student who has received a scholarship under the opportunity scholarship program.

(12) "Professional-technical certificate" means a program as approved by the state board for community and technical colleges under RCW 28B.50.090(7)(c), that is offered by an institution of higher education.

(13) "Professional-technical degree" means a program as approved by the state board for community and technical colleges under RCW 28B.50.090(7)(c), that is offered by an institution of higher education.

(14) "Program administrator" means a private nonprofit corporation registered under Title 24 RCW and qualified as a tax-exempt entity under section 501(c)(3) of the federal internal revenue code.

(15) "Resident student" has the same meaning as provided in RCW 28B.15.012.

(16) "Rural jobs program" means the rural county high employer demand jobs program created in this chapter.

(17) "Service obligation" means an obligation by the participant to be employed in a service obligation area in the state for a specific period to be established by the board.

(18) "Service obligation area" means a location that meets one of the following conditions:

(a) Has been designated by the council as an eligible site under the health professional conditional scholarship program established under chapter 28B.115 RCW;

(b) Serves at least forty percent uninsured or medicaid enrolled patients;

(c) Is located in a rural county as defined in RCW 82.14.370 and serves a combination of uninsured, medicaid enrolled patients, and medicare enrolled patients, equal to at least forty percent of the practice location's total patients; or

(d) Serves a public agency, nonprofit organization, or local health jurisdiction as defined in RCW 43.70.575 by providing public health services necessary to preserve, protect, and promote the health of the state's population, as determined by the board after consultation with the department of health.

**Sec.**  RCW 28B.145.030 and 2018 c 209 s 8, 2018 c 204 s 2, and 2018 c 114 s 4 are each reenacted and amended to read as follows:

(1) The program administrator shall provide administrative support to execute the duties and responsibilities provided in this chapter, including but not limited to publicizing the program, selecting participants for the opportunity scholarship award, distributing opportunity scholarship awards, and achieving the maximum possible rate of return on investment of the accounts in subsection (2) of this section, while ensuring transparency in the investment decisions and processes. Duties, exercised jointly with the board, include soliciting funds and setting annual fund-raising goals. The program administrator shall be paid an administrative fee as determined by the board.

(2) With respect to the opportunity scholarship program, the program administrator shall:

(a) Establish and manage ((~~three separate~~)) the specified accounts created in (b) of this subsection, into which to receive grants and contributions from private sources as well as state matching funds, and from which to disburse scholarship funds to participants;

(b) Solicit and accept grants and contributions from private sources, via direct payment, pledge agreement, or escrow account, of private sources for deposit into any of the ((~~three~~)) specified accounts created in this subsection (2)(b) upon the direction of the donor and in accordance with this subsection (2)(b):

(i) The "scholarship account," whose principal may be invaded, and from which scholarships must be disbursed for baccalaureate programs beginning no later than December 1, 2011, if, by that date, state matching funds in the amount of five million dollars or more have been received. Thereafter, scholarships shall be disbursed on an annual basis beginning no later than May 1, 2012, and every October 1st thereafter;

(ii) The "student support pathways account," whose principal may be invaded, and from which scholarships may be disbursed for professional-technical certificate or degree programs in the fiscal year following appropriations of state matching funds. Thereafter, scholarships shall be disbursed on an annual basis;

(iii) The "advanced degrees pathways account," whose principal may be invaded, and from which scholarships may be disbursed for eligible advanced degree programs in the fiscal year following appropriations of state matching funds. Thereafter, scholarships shall be disbursed on an annual basis;

(iv) The "endowment account," from which scholarship moneys may be disbursed for baccalaureate programs from earnings only in years when:

(A) The state match has been made into both the scholarship and the endowment account; and

(B) The state appropriations for the ((~~state need grant~~)) Washington college promise scholarship under ((~~RCW 28B.92.010~~)) chapter 28B.92 RCW meet or exceed state appropriations for the ((~~state need grant~~)) Washington college promise scholarship made in the 2011-2013 biennium, adjusted for inflation, and eligibility for ((~~state need grant~~)) Washington college promise scholarship recipients is at least seventy percent of state median family income;

(v) An amount equal to at least fifty percent of all grants and contributions must be deposited into the scholarship account until such time as twenty million dollars have been deposited into the scholarship account, after which time the private donors may designate whether their contributions must be deposited to the scholarship account, the student support pathways account, the advanced degrees pathways account, or the endowment account((~~s~~)). The board and the program administrator must work to maximize private sector contributions to ((~~the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account,~~)) these accounts to maintain a robust scholarship program while simultaneously building the endowment, and to determine the division between the ((~~scholarship, the student support pathways, the advanced degrees pathways, and the endowment~~)) accounts in the case of undesignated grants and contributions, taking into account the need for a long‑term funding mechanism and the short‑term needs of families and students in Washington. The first five million dollars in state match, as provided in RCW 28B.145.040, shall be deposited into the scholarship account and thereafter the state match shall be deposited into the ((~~three~~)) specified accounts created in this subsection (2)(b) in equal proportion to the private funds deposited in each account, except that no more than one million dollars in state match shall be deposited into the advanced degrees pathways account in a single fiscal biennium; and

(vi) Once moneys in the opportunity scholarship match transfer account are subject to an agreement under RCW 28B.145.050(5) and are deposited in the scholarship account, the student support pathways account, the advanced degrees pathways account, or the endowment account under this section, the state acts in a fiduciary rather than ownership capacity with regard to those assets. Assets in the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account are not considered state money, common cash, or revenue to the state;

(c) Provide proof of receipt of grants and contributions from private sources to the council, identifying the amounts received by name of private source and date, and whether the amounts received were deposited into the scholarship account, the student support pathways account, the advanced degrees pathways account, or the endowment account((~~s~~));

(d) In consultation with the council and the state board for community and technical colleges, make an assessment of the reasonable annual eligible expenses associated with eligible education programs and eligible advanced degree programs identified by the board;

(e) Determine the dollar difference between tuition fees charged by institutions of higher education in the 2008-09 academic year and the academic year for which an opportunity scholarship is being distributed;

(f) Develop and implement an application, selection, and notification process for awarding opportunity scholarships;

(g) Determine the annual amount of the opportunity scholarship for each selected participant. The annual amount shall be at least one thousand dollars or the amount determined under (e) of this subsection, but may be increased on an income-based, sliding scale basis up to the amount necessary to cover all reasonable annual eligible expenses as assessed pursuant to (d) of this subsection, or to encourage participation in professional-technical certificate programs, professional-technical degree programs, ((~~or~~)) baccalaureate degree programs, or eligible advanced degree programs identified by the board;

(h) Distribute scholarship funds to selected participants. Once awarded, and to the extent funds are available for distribution, an opportunity scholarship shall be automatically renewed as long as the participant annually submits documentation of filing both a free application for federal student aid (FAFSA) and for available federal education tax credits including, but not limited to, the American opportunity tax credit, or if ineligible to apply for federal student aid, the participant annually submits documentation of filing a state financial aid application as approved by the office of student financial assistance; and until the participant withdraws from or is no longer attending the program, completes the program, or has taken the credit or clock hour equivalent of one hundred twenty-five percent of the published length of time of the participant's program, whichever occurs first;

(i) Notify institutions of scholarship recipients who will attend their institutions and inform them of the terms of the students' eligibility;

(j) Establish a required service obligation for participants enrolled in an eligible advanced degree program, and establish a process for verifying a participant's employment in a service obligation area; and

(k) Establish a repayment obligation and appeals process for participants who serve less than the required service obligation, unless the program administrator determines the circumstances are beyond the participant's control. If the participant is unable to pay the repayment obligation in full, the participant may enter into payment arrangements with the program administrator. The program administrator is responsible for the collection of repayment obligations on behalf of participants who fail to complete their service obligation.

(3) With respect to the opportunity expansion program, the program administrator shall:

(a) Assist the board in developing and implementing an application, selection, and notification process for making opportunity expansion awards; and

(b) Solicit and accept grants and contributions from private sources for opportunity expansion awards.

**Sec.**  RCW 28C.18.166 and 2011 1st sp.s. c 11 s 242 are each amended to read as follows:

On an annual basis, each opportunity internship consortium shall provide the board with a list of the opportunity internship graduates from the consortium. The board shall compile the lists from all consortia and shall notify the office of student financial assistance of the eligibility of each graduate on the lists to receive a ((~~state need grant~~)) Washington college promise scholarship under chapter 28B.92 RCW if the graduate enrolls in a postsecondary program of study within one year of high school graduation.

NEW SECTION. **Sec.**  The following acts or parts of acts are each repealed:

(1)RCW 28B.92.010 (State need grant program established—Purpose) and 2014 c 1 s 1, 2004 c 275 s 34, 1999 c 345 s 2, 1993 sp.s. c 18 s 2, & 1969 ex.s. c 222 s 7;

(2)RCW 28B.92.020 (State need grant program—Findings—Intent) and 2011 1st sp.s. c 11 s 158, 2003 c 19 s 11, & 1999 c 345 s 1;

(3)RCW 28B.92.050 (Powers and duties of office) and 2011 1st sp.s. c 11 s 161, 1999 c 345 s 4, 1989 c 254 s 3, & 1969 ex.s. c 222 s 11;

(4)RCW 28B.92.060 (State need grant awards) and 2012 c 229 s 558;

(5)RCW 28B.92.080 (Eligibility for state need grant) and 2015 c 121 s 1, 2012 c 229 s 605, 2009 c 238 s 9, 2007 c 404 s 1, 2004 c 275 s 39, 1999 c 345 s 6, 1989 c 254 s 5, & 1969 ex.s. c 222 s 13;

(6)RCW 28B.92.082 (Enhanced need grants—Eligibility) and 2012 c 229 s 560 & 2009 c 215 s 3;

(7)RCW 28B.92.084 (Eligibility of opportunity internship graduates) and 2011 1st sp.s. c 11 s 163 & 2009 c 238 s 8;

(8)RCW 28B.119.005 (Intent—Finding) and 2002 c 204 s 1;

(9)RCW 28B.119.010 (Program design—Parameters) and 2013 c 39 s 12, 2011 1st sp.s. c 11 s 231, 2004 c 275 s 60, 2003 c 233 s 5, & 2002 c 204 s 2;

(10)RCW 28B.119.020 (Implementation and administration) and 2011 1st sp.s. c 11 s 232 & 2002 c 204 s 3;

(11)RCW 28B.119.030 (Funding for state need grant program not impaired) and 2011 1st sp.s. c 11 s 233, 2004 c 275 s 71, & 2002 c 204 s 4;

(12)RCW 28B.119.040 (Requirements for students receiving home-based instruction not affected) and 2002 c 204 s 5;

(13)RCW 28B.119.050 (Washington promise scholarship account) and 2011 1st sp.s. c 11 s 234 & 2002 c 204 s 6; and

(14)RCW 28B.119.900 (Effective date—2002 c 204) and 2002 c 204 s 9.

NEW SECTION. **Sec.**  Sections 1 through 4 and 7 through 33 of this act take effect July 1, 2021.

**--- END ---**