

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2158**

66th Legislature  
2019 Regular Session

Passed by the House April 28, 2019  
Yeas 52 Nays 46

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**Speaker of the House of Representatives**

Passed by the Senate April 28, 2019  
Yeas 25 Nays 22

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2158** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2158**

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AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

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

**By** House Appropriations (originally sponsored by Representatives Hansen, Tarleton, Ormsby, Sullivan, Robinson, Bergquist, Slatter, Pollet, Valdez, Sells, Tharinger, Ortiz-Self, Appleton, Dolan, Macri, Senn, Thai, Kloba, Goodman, Stanford, and Orwall)

READ FIRST TIME 04/26/19.

1            AN ACT Relating to creating a workforce education investment to  
2 train Washington students for Washington jobs; amending RCW  
3 28B.92.030,      43.88C.010,      28B.10.790,      28B.12.030,      28B.92.040,  
4 28B.92.065,      28B.15.065,      28B.15.740,      28B.15.760,      28B.15.762,  
5 28B.15.820,      28B.116.010,      28A.180.120,      28B.76.502,      28B.76.525,  
6 28B.76.526,      28B.76.540,      28B.76.699,      28B.77.020,      28B.117.020,  
7 28B.118.090,      28B.133.010,      28B.133.020,      28C.18.166,      28C.18.060,  
8 43.216.135, 28B.115.070, and 28B.15.621; reenacting and amending RCW  
9 28B.108.010,      28B.118.010,      28B.145.005,      28B.145.010,      28B.145.020,  
10 28B.145.030, 28B.145.040, and 28B.145.090; adding a new section to  
11 chapter 43.79 RCW; adding new sections to chapter 28B.92 RCW; adding  
12 a new section to chapter 28A.700 RCW; adding a new section to chapter  
13 28B.145 RCW; adding a new section to chapter 28B.50 RCW; adding a new  
14 section to chapter 82.04 RCW; adding a new chapter to Title 28B RCW;  
15 adding a new chapter to Title 28C RCW; creating new sections;  
16 repealing RCW 28B.92.010,      28B.92.020,      28B.92.050,      28B.92.060,  
17 28B.92.080,      28B.92.082,      28B.92.084,      28B.97.010,      28B.97.020,  
18 28B.119.005,      28B.119.010,      28B.119.020,      28B.119.030,      28B.119.040,  
19 28B.119.050, and 28B.119.900; making appropriations; providing an  
20 effective date; providing a contingent effective date; and providing  
21 expiration dates.

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

1 **PART I**  
2 **LEGISLATIVE INTENT**

3 NEW SECTION. **Sec. 1.** The legislature finds it is essential that  
4 Washington residents have the opportunity to succeed in a competitive  
5 global economy by investing in Washington students for Washington  
6 jobs. The legislature finds that Washington state is expected to have  
7 seven hundred forty thousand job openings by 2021 and that most of  
8 these projected openings will be filled by workers with a  
9 postsecondary credential, such as a degree, apprenticeship, or  
10 certificate. The legislature finds that the state must focus on  
11 educational opportunities with targeted investments to keep tuition  
12 low and expand capacity for in-state students. The legislature also  
13 finds that currently only forty percent of Washington's high school  
14 students earn such a credential by age twenty-six, when seventy  
15 percent is the goal set by industry and business leaders intent on  
16 hiring Washington-educated workers. The legislature finds that  
17 Washington state already has several successful programs that help  
18 Washington students train for Washington jobs, including the state  
19 need grant, the guided pathways initiative at the community and  
20 technical colleges, and degree and apprenticeship programs in high-  
21 demand fields, such as computer science, engineering, nursing, and  
22 more. The legislature further finds that providing additional  
23 resources for workforce investments is critical in maintaining  
24 Washington's competitiveness in the global economy by ensuring  
25 businesses are able to hire Washington talent. Therefore, the  
26 legislature intends to create the new workforce education investment  
27 account, supported by professions that depend on higher education,  
28 that will expand existing investments to help people earn the  
29 credentials essential to obtain family-wage jobs and fill the seven  
30 hundred forty thousand jobs of the future.

31 **PART II**  
32 **WORKFORCE EDUCATION INVESTMENT ACCOUNT**

33 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.79  
34 RCW to read as follows:

35 (1) The workforce education investment account is created in the  
36 state treasury. All revenues from the workforce investment surcharges  
37 created in section 74 of this act must be deposited directly into the

1 account. Moneys in the account may be spent only after appropriation.  
2 Expenditures from the account may be used only for higher education  
3 programs, higher education operations, higher education compensation,  
4 and state-funded student aid programs. For the 2019-2021 biennium,  
5 expenditures from the account may be used for kindergarten through  
6 twelfth grade if used for career connected learning as provided for  
7 in this act.

8 (2) Expenditures from the workforce education investment account  
9 must be used to supplement, not supplant, other federal, state, and  
10 local funding for higher education.

11 **PART III**  
12 **WORKFORCE EDUCATION INVESTMENT ACCOUNTABILITY AND**  
13 **OVERSIGHT BOARD**

14 NEW SECTION. **Sec. 3.** (1) The workforce education investment  
15 accountability and oversight board is established. The board consists  
16 of seventeen members, as provided in this subsection:

17 (a) Four members of the legislature consisting of the chairs and  
18 ranking minority members of the respective higher education and  
19 workforce development committees of the senate and house of  
20 representatives, ex officio; and

21 (b) The following members appointed by the governor with the  
22 consent of the senate:

23 (i) Five members representing the businesses described in section  
24 74 of this act;

25 (ii) Two members representing labor organizations, one of which  
26 must have expertise in registered apprenticeships and training a  
27 high-demand workforce and one of which must represent faculty at the  
28 four-year institutions of higher education;

29 (iii) Two members representing the institutions of higher  
30 education, as defined in RCW 28B.10.016, one of which must be from  
31 the four-year sector and one of which must be from the community and  
32 technical college sector;

33 (iv) Two members representing students, one of which must be a  
34 community and technical college student;

35 (v) One member representing the independent, not-for-profit  
36 higher education institutions; and

37 (vi) One member representing the student achievement council,  
38 established under chapter 28B.77 RCW.

1 (2) Except for ex officio and student members, board members  
2 shall hold their offices for a term of three years until their  
3 successors are appointed. Student board members shall hold one-year  
4 terms.

5 (3) The board shall have two cochair. One cochair shall be one  
6 of the chairs of the respective higher education and workforce  
7 development committees of the legislature and the other cochair shall  
8 be one of the board members representing the businesses described in  
9 section 74 of this act. The cochair shall hold the position for a  
10 one-year term. The board members shall elect the cochair annually.

11 (4) Nine voting members of the board constitute a quorum for the  
12 transaction of business. The board shall meet four times a year.

13 (5) Staff support for the board shall be provided by the  
14 workforce training and education coordinating board established in  
15 chapter 28C.18 RCW.

16 (6) The purposes of the board are to:

17 (a) Provide guidance and recommendations to the legislature on  
18 what workforce education priorities should be funded with the  
19 workforce education investment account; and

20 (b) Ensure accountability that the workforce education  
21 investments funded with the workforce education investment account  
22 are producing the intended results and are effectively increasing  
23 student success and career readiness, such as by increasing  
24 retention, completion, and job placement rates.

25 (7) The board shall consult data from the education data center  
26 established under RCW 43.41.400 and the workforce training and  
27 education coordinating board established under chapter 28C.18 RCW  
28 when reviewing and determining whether workforce education  
29 investments funded from the workforce education investment account  
30 are effectively increasing student success and career readiness.

31 (8) The board shall report its recommendations to the appropriate  
32 committees of the legislature by August 1st of each year.

33 **PART IV**

34 **WORKFORCE EDUCATION INVESTMENTS**

35 **A. WORKFORCE EDUCATION INVESTMENT APPROPRIATIONS**

1        NEW SECTION.    **Sec. 4.**    The appropriations in this section are  
2 provided to the Washington student achievement council and are  
3 subject to the following conditions and limitations:

4        (1) \$39,735,000, or as much thereof as may be necessary, is  
5 appropriated for the fiscal year ending June 30, 2020, from the  
6 workforce education investment account and \$99,377,000, or as much  
7 thereof as may be necessary, is appropriated for the fiscal year  
8 ending June 30, 2021, from the workforce education investment account  
9 provided solely for the Washington college grant program under  
10 chapter 28B.92 RCW to fund:

11        (a) The backlog of students eligible for a grant, but who did not  
12 receive a grant due to funding limitations in previous years, with  
13 one-third of the backlog funded in fiscal year 2020;

14        (b) The maximum Washington college grant, as defined in RCW  
15 28B.92.030, increase to full tuition and fees; and

16        (c) Grants for apprenticeship programs.

17        (2) \$21,218,000, or as much thereof as may be necessary, is  
18 appropriated for the fiscal year ending June 30, 2021, from the  
19 workforce education investment account provided solely for expanding  
20 the income eligibility threshold for the Washington college grant  
21 program as described in section 20 of this act.

22        (3) \$580,000, or as much thereof as may be necessary, is  
23 appropriated for the fiscal year ending June 30, 2020, from the  
24 workforce education investment account and \$575,000, or as much  
25 thereof as may be necessary, is appropriated for the fiscal year  
26 ending June 30, 2021, from the workforce education investment account  
27 provided solely for the student achievement council to increase the  
28 number of high school seniors and college bound scholars that  
29 complete the free application for federal student aid and the  
30 Washington application for state financial aid through digital  
31 engagement tools, expanded training, and increased events at high  
32 schools. The student achievement council must report back to the  
33 appropriate committees of the legislature by December 1, 2020, on the  
34 effectiveness of the tools and increased events on increasing the  
35 number of financial aid applications completed.

36        (4) \$1,000,000, or as much thereof as may be necessary, is  
37 appropriated for the fiscal year ending June 30, 2020, from the  
38 workforce education investment account and \$1,000,000, or as much  
39 thereof as may be necessary, is appropriated for the fiscal year  
40 ending June 30, 2021, from the workforce education investment account

1 provided solely for the future teachers conditional scholarship and  
2 loan repayment program established in chapter 28B.102 RCW.

3 (5) \$1,098,000, or as much thereof as may be necessary, is  
4 appropriated for the fiscal year ending June 30, 2020, from the  
5 workforce education investment account and \$1,097,000, or as much  
6 thereof as may be necessary, is appropriated for the fiscal year  
7 ending June 30, 2021, from the workforce education investment account  
8 provided solely for the Washington student loan refinancing program  
9 created in section 51 of this act.

10 NEW SECTION. **Sec. 5.** The appropriations in this section are  
11 provided to the state board for community and technical colleges and  
12 are subject to the following conditions and limitations:

13 (1) \$6,220,000, or as much thereof as may be necessary, is  
14 appropriated for the fiscal year ending June 30, 2020, from the  
15 workforce education investment account and \$7,610,000, or as much  
16 thereof as may be necessary, is appropriated for the fiscal year  
17 ending June 30, 2021, from the workforce education investment account  
18 provided solely for college operating costs, including compensation  
19 and central services, in recognition that these costs exceed  
20 estimated increases in undergraduate operating fee revenue as a  
21 result of RCW 28B.15.067.

22 (2) \$6,220,000, or as much thereof as may be necessary, is  
23 appropriated for the fiscal year ending June 30, 2020, from the  
24 workforce education investment account and \$7,610,000, or as much  
25 thereof as may be necessary, is appropriated for the fiscal year  
26 ending June 30, 2021, from the workforce education investment account  
27 provided solely for employee compensation, academic program  
28 enhancements, student support services, and other institutional  
29 priorities that maintain a quality academic experience for Washington  
30 students.

31 (3) (a) \$2,000,000, or as much thereof as may be necessary, is  
32 appropriated for the fiscal year ending June 30, 2020, from the  
33 workforce education investment account and \$30,124,000, or as much  
34 thereof as may be necessary, is appropriated for the fiscal year  
35 ending June 30, 2021, from the workforce education investment account  
36 provided solely to implement guided pathways at each of the state's  
37 community and technical colleges by academic year 2020-21. Guided  
38 pathways is a research-based approach that provides clear,  
39 structured, educational experiences for students with four elements:

1 Clarify paths to students' end goals, help students choose and enter  
2 a pathway, help students stay on path, and ensure that students are  
3 learning.

4 (b) Guided pathways implementation includes:

5 (i) Increased student support services, including advising and  
6 counseling;

7 (ii) Faculty teaching and planning time to redesign curriculum,  
8 develop meta-majors, and engage in interdepartmental planning on  
9 pathways;

10 (iii) Data analytics and student tracking technology to help  
11 advisors and students address challenges that may impede a student's  
12 progress; and

13 (iv) Research and evaluation to ensure reforms lead to  
14 improvements for all students.

15 (c) The state board for community and technical colleges shall  
16 report to the legislature on an annual basis beginning December 1,  
17 2020, on the impacts of guided pathways on postsecondary outcomes,  
18 including credential completion, transfer pathways, credit  
19 accumulation, grade point averages, and persistence.

20 (4) \$20,400,000, or as much thereof as may be necessary, is  
21 appropriated for the fiscal year ending June 30, 2020, from the  
22 workforce education investment account and \$20,400,000, or as much  
23 thereof as may be necessary, is appropriated for the fiscal year  
24 ending June 30, 2021, from the workforce education investment account  
25 provided solely to increase nurse educator salaries.

26 (5) \$20,000,000, or as much thereof as may be necessary, is  
27 appropriated for the fiscal year ending June 30, 2021, from the  
28 workforce education investment account provided solely for increasing  
29 high-demand program faculty salaries, including but not limited to  
30 nursing educators, other health-related professions, information  
31 technology, computer science, and trades, including welding. Contract  
32 negotiations relating to salary increases must consider, and to the  
33 extent practicable establish, salaries that are comparable to  
34 industry professionals, and no less than the average salary  
35 identified by the college and university professional association for  
36 human resources or a similar organization.

37 (6) \$1,000,000, or as much thereof as may be necessary, is  
38 appropriated for the fiscal year ending June 30, 2020, from the  
39 workforce education investment account and \$2,000,000, or as much  
40 thereof as may be necessary, is appropriated for the fiscal year



1 ending June 30, 2021, from the workforce education investment account  
2 provided solely for enrollments in new career launch programs as  
3 defined in section 57 of this act.

4 (7) \$500,000, or as much thereof as may be necessary, is  
5 appropriated for the fiscal year ending June 30, 2020, from the  
6 workforce education investment account provided solely for purchase  
7 of equipment for a regional training facility in Bothell to offer a  
8 simulated good manufacturing practice experience in partnership with  
9 a community college. The regional training facility must be located  
10 on the campus of a manufacturer of protein-based therapeutics. The  
11 state board for community and technical colleges must use a written  
12 agreement to ensure the equipment is used in a way that provides  
13 adequate public benefit.

14 NEW SECTION. **Sec. 6.** The appropriations in this section are  
15 provided to the University of Washington and are subject to the  
16 following conditions and limitations:

17 (1) \$7,008,000, or as much thereof as may be necessary, is  
18 appropriated for the fiscal year ending June 30, 2020, from the  
19 workforce education investment account and \$11,415,000, or as much  
20 thereof as may be necessary, is appropriated for the fiscal year  
21 ending June 30, 2021, from the workforce education investment account  
22 provided solely for institution operating costs, including  
23 compensation and central services, in recognition that these costs  
24 exceed estimated increases in undergraduate operating fee revenue as  
25 a result of RCW 28B.15.067.

26 (2) \$2,577,000, or as much thereof as may be necessary, is  
27 appropriated for the fiscal year ending June 30, 2020, from the  
28 workforce education investment account and \$4,000,000, or as much  
29 thereof as may be necessary, is appropriated for the fiscal year  
30 ending June 30, 2021, from the workforce education investment account  
31 provided solely for employee compensation, academic program  
32 enhancements, student support services, and other institutional  
33 priorities that maintain a quality academic experience for Washington  
34 students.

35 (3) \$2,000,000, or as much thereof as may be necessary, is  
36 appropriated for the fiscal year ending June 30, 2020, from the  
37 workforce education investment account and \$4,000,000, or as much  
38 thereof as may be necessary, is appropriated for the fiscal year  
39 ending June 30, 2021, from the workforce education investment account

1 provided solely to increase degree production in the college of  
2 engineering at the Seattle campus.

3 (4) \$500,000, or as much thereof as may be necessary, is  
4 appropriated for the fiscal year ending June 30, 2020, from the  
5 workforce education investment account and \$500,000, or as much  
6 thereof as may be necessary, is appropriated for the fiscal year  
7 ending June 30, 2021, from the workforce education investment account  
8 provided solely to maintain the Washington state academic redshirt  
9 program.

10 (5) \$150,000, or as much thereof as may be necessary, is  
11 appropriated for the fiscal year ending June 30, 2020, from the  
12 workforce education investment account and \$1,350,000, or as much  
13 thereof as may be necessary, is appropriated for the fiscal year  
14 ending June 30, 2021, from the workforce education investment account  
15 provided solely to add degree capacity and increase undergraduate  
16 enrollments per year by two hundred ten in the engineering,  
17 mathematics, and science programs to support the biomedical  
18 innovation partnership zone at the Bothell campus.

19 (6) \$177,000, or as much thereof as may be necessary, is  
20 appropriated for the fiscal year ending June 30, 2020, from the  
21 workforce education investment account and \$1,634,000, or as much  
22 thereof as may be necessary, is appropriated for the fiscal year  
23 ending June 30, 2021, from the workforce education investment account  
24 provided solely to establish bachelor of science programs in  
25 mechanical and civil engineering, enrolling one hundred eighty  
26 students per year by fiscal year 2025, to support increased student  
27 and local employer demand for graduates in these fields at the Tacoma  
28 campus.

29 NEW SECTION. **Sec. 7.** The appropriations in this section are  
30 provided to Washington State University and are subject to the  
31 following conditions and limitations:

32 (1) \$1,913,000, or as much thereof as may be necessary, is  
33 appropriated for the fiscal year ending June 30, 2020, from the  
34 workforce education investment account and \$3,440,000, or as much  
35 thereof as may be necessary, is appropriated for the fiscal year  
36 ending June 30, 2021, from the workforce education investment account  
37 provided solely for institution operating costs, including  
38 compensation and central services, in recognition that these costs

1 exceed estimated increases in undergraduate operating fee revenue as  
2 a result of RCW 28B.15.067.

3 (2) \$3,600,000, or as much thereof as may be necessary, is  
4 appropriated for the fiscal year ending June 30, 2020, from the  
5 workforce education investment account and \$7,200,000, or as much  
6 thereof as may be necessary, is appropriated for the fiscal year  
7 ending June 30, 2021, from the workforce education investment account  
8 provided solely to complete funding for four classes of sixty  
9 students each at the Elson S. Floyd college of medicine, allowing  
10 previously funded cohorts of first and second year students to  
11 complete their education.

12 (3) \$1,200,000, or as much thereof as may be necessary, is  
13 appropriated for the fiscal year ending June 30, 2020, from the  
14 workforce education investment account and \$2,400,000, or as much  
15 thereof as may be necessary, is appropriated for the fiscal year  
16 ending June 30, 2021, from the workforce education investment account  
17 provided solely to increase the cohort size by twenty students for  
18 the Elson S. Floyd college of medicine in fall 2019 and fall 2020 for  
19 a total of eighty students per cohort, thereby increasing the number  
20 of physicians trained and serving in Washington's workforce.

21 NEW SECTION. **Sec. 8.** The appropriations in this section are  
22 provided to Central Washington University and are subject to the  
23 following conditions and limitations:

24 (1) \$701,000, or as much thereof as may be necessary, is  
25 appropriated for the fiscal year ending June 30, 2020, from the  
26 workforce education investment account and \$1,118,000, or as much  
27 thereof as may be necessary, is appropriated for the fiscal year  
28 ending June 30, 2021, from the workforce education investment account  
29 provided solely for institution operating costs, including  
30 compensation and central services, in recognition that these costs  
31 exceed estimated increases in undergraduate operating fee revenue as  
32 a result of RCW 28B.15.067.

33 (2) \$525,000, or as much thereof as may be necessary, is  
34 appropriated for the fiscal year ending June 30, 2020, from the  
35 workforce education investment account and \$525,000, or as much  
36 thereof as may be necessary, is appropriated for the fiscal year  
37 ending June 30, 2021, from the workforce education investment account  
38 provided solely to increase the number of certified K-12 teachers. Of  
39 this, per year, \$400,000 must be used towards the grow-your-own high

1 school teacher academies in communities that face chronic teacher  
2 shortages and \$125,000 must be used to:

3 (a) Expand alternative routes to certification options by  
4 targeting conditional or emergency teachers, as well as  
5 paraeducators, and encourage those individuals to gain Washington  
6 state certification; and

7 (b) Target high-demand endorsement areas, such as special  
8 education and elementary education.

9 (3) \$368,000, or as much thereof as may be necessary, is  
10 appropriated for the fiscal year ending June 30, 2020, from the  
11 workforce education investment account and \$368,000, or as much  
12 thereof as may be necessary, is appropriated for the fiscal year  
13 ending June 30, 2021, from the workforce education investment account  
14 provided solely for increasing mental health counseling at Central  
15 Washington University.

16 NEW SECTION. **Sec. 9.** The appropriations in this section are  
17 provided to Western Washington University and are subject to the  
18 following conditions and limitations:

19 (1) \$689,000, or as much thereof as may be necessary, is  
20 appropriated for the fiscal year ending June 30, 2020, from the  
21 workforce education investment account and \$1,128,000, or as much  
22 thereof as may be necessary, is appropriated for the fiscal year  
23 ending June 30, 2021, from the workforce education investment account  
24 provided solely for institution operating costs, including  
25 compensation and central services, in recognition that these costs  
26 exceed estimated increases in undergraduate operating fee revenue as  
27 a result of RCW 28B.15.067.

28 (2) \$1,713,000, or as much thereof as may be necessary, is  
29 appropriated for the fiscal year ending June 30, 2020, from the  
30 workforce education investment account and \$1,713,000, or as much  
31 thereof as may be necessary, is appropriated for the fiscal year  
32 ending June 30, 2021, from the workforce education investment account  
33 provided solely to increase access to science, technology,  
34 engineering, and mathematic degrees, which may include expanding  
35 prehealth care capacity, creating an energy science and technology  
36 bachelor of science degree, and expanding electrical engineering  
37 degrees.

1        NEW SECTION.    **Sec. 10.**    The appropriations in this section are  
2 provided to The Evergreen State College and are subject to the  
3 following conditions and limitations:

4        (1) \$757,000, or as much thereof as may be necessary, is  
5 appropriated for the fiscal year ending June 30, 2020, from the  
6 workforce education investment account and \$1,318,000, or as much  
7 thereof as may be necessary, is appropriated for the fiscal year  
8 ending June 30, 2021, from the workforce education investment account  
9 provided solely for institution operating costs, including  
10 compensation and central services, in recognition that these costs  
11 exceed estimated increases in undergraduate operating fee revenue as  
12 a result of RCW 28B.15.067.

13        (2) \$335,000, or as much thereof as may be necessary, is  
14 appropriated for the fiscal year ending June 30, 2020, from the  
15 workforce education investment account and \$335,000, or as much  
16 thereof as may be necessary, is appropriated for the fiscal year  
17 ending June 30, 2021, from the workforce education investment account  
18 provided solely to increase enrollment capacity by seventy-five  
19 students in the psychology program by hiring additional psychology  
20 faculty.

21        (3) \$280,000, or as much thereof as may be necessary, is  
22 appropriated for the fiscal year ending June 30, 2020, from the  
23 workforce education investment account and \$300,000, or as much  
24 thereof as may be necessary, is appropriated for the fiscal year  
25 ending June 30, 2021, from the workforce education investment account  
26 provided solely to increase student success by establishing a new  
27 student precollege immersion program and The Evergreen first-year  
28 experience program.

29        NEW SECTION.    **Sec. 11.**    The appropriations in this section are  
30 provided to Eastern Washington University and are subject to the  
31 following conditions and limitations:

32        (1) \$677,000, or as much thereof as may be necessary, is  
33 appropriated for the fiscal year ending June 30, 2020, from the  
34 workforce education investment account and \$1,137,000, or as much  
35 thereof as may be necessary, is appropriated for the fiscal year  
36 ending June 30, 2021, from the workforce education investment account  
37 provided solely for institution operating costs, including  
38 compensation and central services, in recognition that these costs

1 exceed estimated increases in undergraduate operating fee revenue as  
2 a result of RCW 28B.15.067.

3 (2) \$1,318,000, or as much thereof as may be necessary, is  
4 appropriated for the fiscal year ending June 30, 2020, from the  
5 workforce education investment account and \$1,318,000, or as much  
6 thereof as may be necessary, is appropriated for the fiscal year  
7 ending June 30, 2021, from the workforce education investment account  
8 provided solely to create a computer engineering degree in the  
9 college of science, technology, engineering, and math with an average  
10 enrollment per year of one hundred thirty-three students at full  
11 implementation.

12 NEW SECTION. **Sec. 12.** \$2,450,000, or as much thereof as may be  
13 necessary, is appropriated to the employment security department for  
14 the fiscal year ending June 30, 2020, from the workforce education  
15 investment account and \$2,950,000, or as much thereof as may be  
16 necessary, is appropriated to the employment security department for  
17 the fiscal year ending June 30, 2021, from the workforce education  
18 investment account provided solely for the career connected learning  
19 grant program established in section 56 of this act.

20 NEW SECTION. **Sec. 13.** The appropriations in this section are  
21 provided to the office of the superintendent of public instruction  
22 and are subject to the following conditions and limitations:

23 (1) \$425,000, or as much thereof as may be necessary, is  
24 appropriated for the fiscal year ending June 30, 2020, from the  
25 workforce education investment account and \$425,000, or as much  
26 thereof as may be necessary, is appropriated for the fiscal year  
27 ending June 30, 2021, from the workforce education investment account  
28 provided solely for expanding career connected learning as defined in  
29 section 57 of this act.

30 (2) \$158,000, or as much thereof as may be necessary, is  
31 appropriated for the fiscal year ending June 30, 2020, from the  
32 workforce education investment account and \$480,000, or as much the  
33 thereof as may be necessary, is appropriated for the fiscal year  
34 ending June 30, 2021, from the workforce education investment account  
35 provided solely for increasing the funding per full-time equivalent  
36 for career launch programs as described in section 60 of this act.

37 (3) \$750,000, or as much thereof as may be necessary, is  
38 appropriated for the fiscal year ending June 30, 2020, from the

1 workforce education investment account and \$750,000, or as much  
2 thereof as may be necessary, is appropriated for the fiscal year  
3 ending June 30, 2021, from the workforce education investment account  
4 provided solely for Marysville school district to collaborate with  
5 Arlington school district, Everett Community College, other local  
6 school districts, local labor unions, local Washington state  
7 apprenticeship and training council registered apprenticeship  
8 programs, and local industry groups to develop a regional  
9 apprenticeship pathways pilot program. The pilot program must seek  
10 to:

11 (a) Establish an education-based apprenticeship preparation  
12 program recognized by the Washington state apprenticeship and  
13 training council that prepares individuals for registered  
14 apprenticeships within the building and construction trades;

15 (b) Provide dual credit for participants by meeting high school  
16 graduation requirements and providing opportunities for credit  
17 leading to a college credential; and

18 (c) Provide participants with preferred or direct entry into a  
19 state registered apprenticeship program in the building and  
20 construction trades.

21 NEW SECTION. **Sec. 14.** \$50,000, or as much thereof as may be  
22 necessary, is appropriated to the office of financial management for  
23 the fiscal year ending June 30, 2020, from the workforce education  
24 investment account and \$50,000, or as much thereof as may be  
25 necessary, is appropriated to the office of financial management for  
26 the fiscal year ending June 30, 2021, from the workforce education  
27 investment account provided solely for implementing career connected  
28 learning.

29 NEW SECTION. **Sec. 15.** \$4,241,000, or as much thereof as may be  
30 necessary, is appropriated to the department of children, youth, and  
31 families for the fiscal year ending June 30, 2021, from the workforce  
32 education investment account provided solely for eliminating the work  
33 requirement under the working connections child care program for  
34 single parents who are pursuing a vocational education full-time at a  
35 community, technical, or tribal college as set forth under section 70  
36 of this act.

1        NEW SECTION.    **Sec. 16.**    The appropriations in this section are  
2 provided to the workforce training and education coordinating board  
3 and are subject to the following conditions and limitations: \$75,000,  
4 or as much thereof as may be necessary, is appropriated for the  
5 fiscal year ending June 30, 2020, from the workforce education  
6 investment account and \$75,000, or as much thereof as may be  
7 necessary, is appropriated for the fiscal year ending June 30, 2021,  
8 from the workforce education investment account provided solely for  
9 staffing costs for the workforce education investment accountability  
10 and oversight board established in section 3 of this act.

11        NEW SECTION.    **Sec. 17.**    \$166,000, or as much thereof as may be  
12 necessary, is appropriated to the caseload forecast council for the  
13 fiscal year ending June 30, 2020, from the workforce education  
14 investment account and \$166,000, or as much thereof as may be  
15 necessary, is appropriated to the caseload forecast council for the  
16 fiscal year ending June 30, 2021, from the workforce education  
17 investment account provided solely for forecasting the caseload for  
18 the Washington college grant program.

19                                    **B. WORKFORCE EDUCATION INVESTMENT POLICIES**

20                                    **1. CREATING THE WASHINGTON COLLEGE GRANT PROGRAM TO**  
21                                    **REPLACE THE STATE NEED GRANT PROGRAM**

22        NEW SECTION.    **Sec. 18.**    A new section is added to chapter 28B.92  
23 RCW to read as follows:

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

33            (2) The legislature further finds that a statewide free college  
34 program, for students who demonstrate financial need as defined in  
35 section 20 of this act, is necessary to significantly reduce the  
36 financial costs of obtaining a postsecondary credential. The



1 Washington college grant program is intended to increase access to  
2 postsecondary opportunities for Washington residents.

3 NEW SECTION. **Sec. 19.** A new section is added to chapter 28B.92  
4 RCW to read as follows:

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

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

15 (3) The legislature shall appropriate funding for the Washington  
16 college grant program. Allocations must be made on the basis of  
17 estimated eligible participants enrolled in eligible institutions of  
18 higher education or apprenticeship programs. All eligible students  
19 are entitled to a Washington college grant beginning in academic year  
20 2020-21.

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

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

25 (a) Demonstrate financial need under section 20 of this act;

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

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

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

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

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

37 (6) Washington college grant eligibility may not extend beyond  
38 five years or one hundred twenty-five percent of the published length

1 of the program in which the student is enrolled or the credit or  
2 clock-hour equivalent.

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

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

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

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

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

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

26 NEW SECTION. **Sec. 20.** A new section is added to chapter 28B.92  
27 RCW to read as follows:

28 In addition to other eligibility requirements outlined in this  
29 chapter, students who demonstrate financial need are eligible to  
30 receive the Washington college grant. Financial need is as follows:

31 (1) Until academic year 2020-21, students with family incomes  
32 between zero and fifty percent of the state median family income,  
33 adjusted for family size, shall receive the maximum Washington  
34 college grant as defined in RCW 28B.92.030. Grants for students with  
35 incomes between fifty-one and seventy percent of the state median  
36 family income, adjusted for family size, shall be prorated at the  
37 following percentages of the maximum Washington college grant amount:

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

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

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

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

7 (2) Beginning with academic year 2020-21, students with family  
8 incomes between zero and fifty-five percent of the state median  
9 family income, adjusted for family size, shall receive the maximum  
10 Washington college grant as defined in RCW 28B.92.030. Grants for  
11 students with incomes between fifty-six and one hundred percent of  
12 the state median family income, adjusted for family size, shall be  
13 prorated at the following percentages of the maximum Washington  
14 college grant amount:

15 (a) Seventy percent for students with family incomes between  
16 fifty-six and sixty percent of the state median family income;

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

19 (c) Fifty percent for students with family incomes between sixty-  
20 six and seventy percent of the state median family income;

21 (d) Twenty-four and one-half percent for students with family  
22 incomes between seventy-one and seventy-five percent of the state  
23 median family income; and

24 (e) Ten percent for students with family incomes between seventy-  
25 six and one hundred percent of the state median family income.

26 **Sec. 21.** RCW 28B.92.030 and 2013 c 248 s 2 are each amended to  
27 read as follows:

28 As used in this chapter:

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

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

38 (3)) "Financial aid" means either loans ~~((and/or))~~, grants, or  
39 both, to ~~((needy))~~ students who demonstrate financial need enrolled

1 or accepted for enrollment as a student at institutions of higher  
2 education.

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

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

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

9 (b) Any other university, college, school, or institute in the  
10 state of Washington offering instruction beyond the high school level  
11 that is a member institution of an accrediting association recognized  
12 by rule of the council for the purposes of this section and that  
13 agrees to and complies with program rules adopted pursuant to RCW  
14 28B.92.150. However, any institution, branch, extension or facility  
15 operating within the state of Washington that is affiliated with an  
16 institution operating in another state must be:

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

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

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

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

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

38 "Maximum Washington college grant":

39 (a) For students attending two or four-year institutions of  
40 higher education as defined in RCW 28B.10.016, is tuition and

1 estimated fees for fifteen quarter credit hours or the equivalent, as  
2 determined by the office, including operating fees, building fees,  
3 and services and activities fees.

4 (b) For students attending private four-year not-for-profit  
5 institutions of higher education in Washington, in the 2019-20  
6 academic year, is nine thousand seven hundred thirty-nine dollars and  
7 may increase each year afterwards by no more than the tuition growth  
8 factor.

9 (c) For students attending two-year private not-for-profit  
10 institutions of higher education in Washington, in the 2019-20  
11 academic year, is three thousand six hundred ninety-four dollars and  
12 may increase each year afterwards by no more than the tuition growth  
13 factor.

14 (d) For students attending four-year private for-profit  
15 institutions of higher education in Washington, in the 2019-20  
16 academic year, is eight thousand five hundred seventeen dollars and  
17 may increase each year afterwards by no more than the tuition growth  
18 factor.

19 (e) For students attending two-year private for-profit  
20 institutions of higher education in Washington, in the 2019-20  
21 academic year, is two thousand eight hundred twenty-three dollars and  
22 may increase each year afterwards by no more than the tuition growth  
23 factor.

24 (f) For students attending Western Governors University-  
25 Washington, as established in RCW 28B.77.240, in the 2019-20 academic  
26 year, is five thousand six hundred nineteen dollars and may increase  
27 each year afterwards by no more than the tuition growth factor.

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

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

32 (7) (~~"Placebound student" means a student who (a) is unable to~~  
33 ~~complete a college program because of family or employment~~  
34 ~~commitments, health concerns, monetary inability, or other similar~~  
35 ~~factors; and (b) may be influenced by the receipt of an enhanced~~  
36 ~~student financial aid award to complete a baccalaureate degree at an~~  
37 ~~eligible institution)) "Tuition growth factor" means an increase of  
38 no more than the average annual percentage growth rate of the median  
39 hourly wage for Washington for the previous fourteen years as the  
40 wage is determined by the federal bureau of labor statistics.~~

1        NEW SECTION.    **Sec. 22.**    A new section is added to chapter 28B.92  
2    RCW to read as follows:

3        (1)    In order to be eligible for state student financial aid  
4    programs, postsecondary institutions shall submit student-level data  
5    to the education data center established in RCW 43.41.400 in  
6    accordance with RCW 28B.77.090 for the purposes of legislatively  
7    authorized research and evaluation of state postsecondary student aid  
8    programs.

9        (2)    The education data center shall determine the appropriate  
10   student-level data each postsecondary institution shall report in  
11   order to meet the state goals for research and evaluation under  
12   subsection (1) of this section.

13       (3)    The education data center shall enter data-sharing agreements  
14   to facilitate the transfer of required data.

15       (4)    Religious postsecondary institutions that maintain a  
16   religious exemption under RCW 28B.85.040 may request an exemption  
17   from the council from submitting student-level data to the education  
18   data center.

19       (5)    Postsecondary institutions, except for those exempt under  
20   subsection (4) of this section, that do not submit student-level data  
21   to the education data center may be found ineligible for the state's  
22   federally required eligible training provider list and may lose  
23   eligibility to participate in the Washington college grant program,  
24   established in this chapter. The council's office of student  
25   financial assistance shall determine penalties for postsecondary  
26   institutions in accordance with chapter 34.05 RCW.

27       (6)    Nothing in this section allows the sharing of confidential  
28   information that is prohibited by state or federal law.

29       (7)    For the purposes of this section, "postsecondary institution"  
30   means an institution of higher education as defined in RCW  
31   28B.10.016, a degree-granting institution as defined in RCW  
32   28B.85.010, a private vocational school as defined in RCW 28C.10.020,  
33   and a school as defined in RCW 18.16.020.

34       NEW SECTION.    **Sec. 23.**    A new section is added to chapter 28B.92  
35   RCW to read as follows:

36       The caseload forecast council shall estimate the anticipated  
37   caseload of the Washington college grant program and submit the  
38   caseload forecast as specified in RCW 43.88C.020.

1       **Sec. 24.** RCW 43.88C.010 and 2018 c 208 s 4 are each amended to  
2 read as follows:

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

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

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

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

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

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

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

39       (a) The number of persons expected to meet entitlement  
40 requirements and require the services of public assistance programs,

1 state correctional institutions, state correctional noninstitutional  
2 supervision, state institutions for juvenile offenders, the common  
3 school system, long-term care, medical assistance, foster care, and  
4 adoption support;

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

8 (c) The number of students who are eligible for the Washington  
9 college grant program under sections 19 and 20 of this act and are  
10 expected to attend an institution of higher education as defined in  
11 RCW 28B.92.030; and

12 (d) The number of children who are eligible, as defined in RCW  
13 43.216.505, to participate in, and the number of children actually  
14 served by, the early childhood education and assistance program.

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

18 (9) The caseload forecast council shall forecast youth  
19 participating in the extended foster care program pursuant to RCW  
20 74.13.031 separately from other children who are residing in foster  
21 care and who are under eighteen years of age.

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

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

28 **Sec. 25.** RCW 28B.10.790 and 2012 c 229 s 518 are each amended to  
29 read as follows:

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

34 (1) They qualify as a (~~"needy"~~) student(~~"~~) who demonstrates  
35 financial need as defined under RCW 28B.92.030(~~(+4)7~~); and

36 (2) The institution attended is a member institution of an  
37 accrediting association recognized by rule of the student achievement  
38 council for the purposes of this section and is specifically  
39 encompassed within or directly affected by such reciprocity agreement



1 and agrees to and complies with program rules and regulations  
2 pertaining to such students and institutions adopted pursuant to RCW  
3 28B.92.150.

4 **Sec. 26.** RCW 28B.12.030 and 2017 c 52 s 1 are each amended to  
5 read as follows:

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

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

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

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

27 **Sec. 27.** RCW 28B.92.040 and 2011 1st sp.s. c 11 s 160 are each  
28 amended to read as follows:

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

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

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

36 (3) The office shall take the initiative and responsibility for  
37 coordinating all federal student financial aid programs to ensure  
38 that the state recognizes the maximum potential effect of these

1 programs, and shall design state programs that complement existing  
2 federal, state, and institutional programs. (~~The office shall ensure  
3 that state programs continue to follow the principle that state  
4 financial aid funding follows the student to the student's choice of  
5 institution of higher education.~~)

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

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

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

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

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

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

34 **Sec. 29.** RCW 28B.15.065 and 1977 ex.s. c 322 s 6 are each  
35 amended to read as follows:

36 It is the intent of the legislature that (~~needy~~) students who  
37 demonstrate financial need not be deprived of access to higher  
38 education due to increases in educational costs or consequent

1 increases in tuition and fees. It is the sense of the legislature  
2 that state appropriations for student financial aid be adjusted in an  
3 amount which together with funds estimated to be available in the  
4 form of basic educational opportunity grants as authorized under  
5 Section 411 of the federal Higher Education Act of 1965 as now or  
6 hereafter amended will equal twenty-four percent of any change in  
7 revenue estimated to occur as a result of revisions in tuition and  
8 fee levels under the provisions of chapter 322, Laws of 1977 ex.  
9 sess.

10 **Sec. 30.** RCW 28B.15.740 and 2015 c 55 s 223 are each amended to  
11 read as follows:

12 (1) Subject to the limitations of RCW 28B.15.910, the governing  
13 boards of the state universities, the regional universities, The  
14 Evergreen State College, and the community and technical colleges may  
15 waive all or a portion of tuition and fees for (~~needy~~) students who  
16 demonstrate financial need and are eligible for resident tuition and  
17 fee rates pursuant to RCW 28B.15.012 and 28B.15.013. Subject to the  
18 limitations of RCW 28B.15.910, the governing boards of the state  
19 universities, the regional universities, The Evergreen State College,  
20 and the community and technical colleges may waive all or a portion  
21 of tuition and fees for other students at the discretion of the  
22 governing boards, except on the basis of participation in  
23 intercollegiate athletic programs, not to exceed three-fourths of one  
24 percent of gross authorized operating fees revenue under RCW  
25 28B.15.910 for the community and technical colleges considered as a  
26 whole and not to exceed two percent of gross authorized operating  
27 fees revenue for the other institutions of higher education.

28 (2) In addition to the tuition and fee waivers provided in  
29 subsection (1) of this section and subject to the provisions of RCW  
30 28B.15.455, 28B.15.460, and 28B.15.910, a total dollar amount of  
31 tuition and fee waivers awarded by any state university, regional  
32 university, or state college under this chapter, not to exceed one  
33 percent, as calculated in subsection (1) of this section, may be used  
34 for the purpose of achieving or maintaining gender equity in  
35 intercollegiate athletic programs. At any institution that has an  
36 underrepresented gender class in intercollegiate athletics, any such  
37 waivers shall be awarded:

38 (a) First, to members of the underrepresented gender class who  
39 participate in intercollegiate athletics, where such waivers result

1 in saved or displaced money that can be used for athletic programs  
2 for the underrepresented gender class. Such saved or displaced money  
3 shall be used for programs for the underrepresented gender class; and

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

14 **Sec. 31.** RCW 28B.15.760 and 2012 c 229 s 528 are each amended to  
15 read as follows:

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

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

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

21 (3) "Eligible student" means a student registered for at least  
22 ten credit hours or the equivalent and demonstrates achievement of a  
23 3.00 grade point average for each academic year, who is a resident  
24 student as defined by RCW 28B.15.012 through 28B.15.015, who is a  
25 (~~"needy~~) student(~~"~~) who demonstrates financial need as defined in  
26 RCW 28B.92.030, and who has a declared major in a program leading to  
27 a degree in teacher education in a field of science or mathematics,  
28 or a certificated teacher who meets the same credit hour and (~~"needy~~  
29 ~~student"~~) financial eligibility requirements and is seeking an  
30 additional degree in science or mathematics.

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

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

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

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

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

5 **Sec. 32.** RCW 28B.15.762 and 2012 c 229 s 529 are each amended to  
6 read as follows:

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

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

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

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

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

16 **Sec. 33.** RCW 28B.15.820 and 2009 c 215 s 9 are each amended to  
17 read as follows:

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

30 (2) An "eligible student" for the purposes of subsections (3)  
31 through (8) and (10) of this section is a student registered for at  
32 least three credit hours or the equivalent, who is eligible for  
33 resident tuition and fee rates as defined in RCW 28B.15.012 and  
34 28B.15.013, and who is a (~~needy~~) student(("who demonstrates  
35 financial need as defined in RCW 28B.92.030.

36 (3) The amount of the guaranteed long-term loans made under this  
37 section shall not exceed the demonstrated financial need of the  
38 student. Each institution shall establish loan terms and conditions  
39 which shall be consistent with the terms of the guaranteed loan

1 program established by 20 U.S. Code Section 1071 et seq., as now or  
2 hereafter amended. All loans made shall be guaranteed by the  
3 Washington student loan guaranty association or its successor agency.  
4 Institutions are hereby granted full authority to operate as an  
5 eligible lender under the guaranteed loan program.

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

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

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

1 accurate records of such costs, and all receipts beyond those  
2 necessary to pay such costs, shall be deposited in the institution's  
3 financial aid fund.

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

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

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

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



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

12 **Sec. 34.** RCW 28B.108.010 and 2011 1st sp.s. c 11 s 191 are each  
13 reenacted and amended to read as follows:

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

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

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

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

27 **Sec. 35.** RCW 28B.116.010 and 2013 c 39 s 10 are each amended to  
28 read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

16 **Sec. 36.** RCW 28A.180.120 and 2017 c 236 s 4 are each amended to  
17 read as follows:

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

20 (1) The professional educator standards board, beginning in the  
21 2017-2019 biennium, shall administer the bilingual educator  
22 initiative, which is a long-term program to recruit, prepare, and  
23 mentor bilingual high school students to become future bilingual  
24 teachers and counselors.

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

34 (3) Participating school districts must implement programs,  
35 including: (a) An outreach plan that exposes the program to middle  
36 school students and recruits them to enroll in the program when they  
37 begin their ninth grade of high school; (b) activities in ninth and  
38 tenth grades that help build student agency, such as self-confidence  
39 and awareness, while helping students to develop academic mind-sets

1 needed for high school and college success; the value and benefits of  
2 teaching and counseling as careers; and introduction to leadership,  
3 civic engagement, and community service; (c) credit-bearing curricula  
4 in grades eleven and twelve that include mentoring, shadowing, best  
5 practices in teaching in a multicultural world, efficacy and practice  
6 of dual language instruction, social and emotional learning, enhanced  
7 leadership, civic engagement, and community service activities.

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

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

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

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

30 (8) Grantees must work with the professional educator standards  
31 board to draft the report required in section 6, chapter 236, Laws of  
32 2017.

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

35 **Sec. 37.** RCW 28B.76.502 and 2017 c 177 s 1 are each amended to  
36 read as follows:

37 (1) The office must provide a financial aid counseling curriculum  
38 to institutions of higher education with ((state—need)) Washington

1 college grant recipients. The curriculum must be available via a web  
2 site. The curriculum must include, but not be limited to:

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

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

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

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

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

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

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

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

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

35 (4) Subject to the availability of amounts appropriated for this  
36 specific purpose, by the 2017-18 academic year, each institution of  
37 higher education must take reasonable steps to ensure that the  
38 institution presents, and each incoming student participates in, a  
39 financial education workshop. The scope of the workshop must include,  
40 but is not limited to, the information outlined in subsection (1)(b)

1 through (g) of this section, and include recommendations by the  
2 financial education public-private partnership. The institutions are  
3 encouraged to present these workshops during student orientation or  
4 as early as possible in the academic year.

5 **Sec. 38.** RCW 28B.76.525 and 2011 1st sp.s. c 11 s 110 are each  
6 amended to read as follows:

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

12 (2) The office shall deposit in the account all money received  
13 for the ((state-need)) Washington college grant program established  
14 under chapter 28B.92 RCW ((28B.92.010)), the state work-study program  
15 established under chapter 28B.12 RCW, the Washington scholars program  
16 established under RCW 28A.600.110, the Washington award for  
17 vocational excellence program established under RCW 28C.04.525, and  
18 the educational opportunity grant program established under chapter  
19 28B.101 RCW. The account shall consist of funds appropriated by the  
20 legislature for the programs listed in this subsection and private  
21 contributions to the programs. Moneys deposited in the account do not  
22 lapse at the close of the fiscal period for which they were  
23 appropriated. Both during and after the fiscal period in which moneys  
24 were deposited in the account, the office may expend moneys in the  
25 account only for the purposes for which they were appropriated, and  
26 the expenditures are subject to any other conditions or limitations  
27 placed on the appropriations.

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

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

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

35 **Sec. 39.** RCW 28B.76.526 and 2018 c 232 s 10 are each amended to  
36 read as follows:

37 The Washington opportunity pathways account is created in the  
38 state treasury. Expenditures from the account may be used only for

1 programs in chapter 28A.710 RCW (charter schools), chapter 28B.12 RCW  
2 (state work-study), chapter 28B.50 RCW (opportunity grant), RCW  
3 28B.76.660 (Washington scholars award), RCW 28B.76.670 (Washington  
4 award for vocational excellence), chapter 28B.92 RCW (~~((state need))~~)  
5 Washington college grant program), chapter 28B.105 RCW (GET ready for  
6 math and science scholarship), chapter 28B.117 RCW (passport to  
7 careers), chapter 28B.118 RCW (college bound scholarship), (~~chapter~~  
8 ~~28B.119 RCW (Washington promise scholarship),~~) and chapter  
9 (~~(43.215)~~) 43.216 RCW (early childhood education and assistance  
10 program).

11 **Sec. 40.** RCW 28B.76.540 and 2011 1st sp.s. c 11 s 111 are each  
12 amended to read as follows:

13 In addition to administrative responsibilities assigned in this  
14 chapter, the office shall administer the programs set forth in the  
15 following statutes: RCW 28A.600.100 through 28A.600.150 (Washington  
16 scholars); chapter 28B.85 RCW (degree-granting institutions); chapter  
17 28B.92 RCW (~~((state need))~~) Washington college grant); chapter 28B.12  
18 RCW (work-study); RCW 28B.15.543 (~~((tuition waivers for Washington~~  
19 ~~scholars))~~) grants for undergraduate coursework); RCW 28B.15.760  
20 through 28B.15.766 (math and science loans); RCW 28B.15.100  
21 (reciprocity agreement); RCW 28B.15.730 through 28B.15.734 (Oregon  
22 reciprocity); RCW 28B.15.750 and 28B.15.752 (Idaho reciprocity); RCW  
23 28B.15.756 (British Columbia reciprocity); chapter 28B.101 RCW  
24 (educational opportunity grant); chapter 28B.102 RCW (future teachers  
25 conditional scholarship); chapter 28B.108 RCW (American Indian  
26 endowed scholarship); chapter 28B.109 RCW (Washington international  
27 exchange scholarship); chapter 28B.115 RCW (health professional  
28 conditional scholarship); (~~chapter 28B.119 RCW (Washington promise~~  
29 ~~scholarship),~~) and chapter 28B.133 RCW (gaining independence for  
30 students with dependents).

31 **Sec. 41.** RCW 28B.76.699 and 2016 c 233 s 17 are each amended to  
32 read as follows:

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

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

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

10 **Sec. 42.** RCW 28B.77.020 and 2015 c 83 s 2 are each amended to  
11 read as follows:

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

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

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

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

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

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

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

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

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

17 (d) System design and coordination;

18 (e) Improving student transitions;

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

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

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

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

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

37 (k) Relevant policy research.

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



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

5 (6) The council shall use the data and analysis produced by, and  
6 in consultation with, the education data center created in RCW  
7 43.41.400 in developing policy recommendations and proposing goals.  
8 In conducting research and analysis the council at a minimum must:

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (8) The council directs the work of the office, which includes  
23 administration of student financial aid programs under RCW  
24 28B.76.090, including the (~~state need~~) Washington college grant and  
25 other scholarships, the Washington advanced college tuition payment  
26 program, and work-study programs.

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

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

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

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

39 (i) The criteria shall include retention rates, completion rates,  
40 loan default rates, and annual tuition increases, among other

1 criteria for students who receive (~~state-need~~) the Washington  
2 college grant (~~as~~) in chapter 28B.92 RCW and any other state  
3 financial aid.

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

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

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

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

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

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

31 **Sec. 43.** RCW 28B.117.020 and 2018 c 232 s 3 are each amended to  
32 read as follows:

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

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

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

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

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

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

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

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

29 (8) "Institution of higher education" means any institution  
30 eligible to and participating in the ((state—need)) Washington  
31 college grant program.

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

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

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

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

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

8 (14) "Tribal court" has the same meaning as defined in RCW  
9 13.38.040.

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

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

15 **Sec. 44.** RCW 28B.118.010 and 2018 c 204 s 1 and 2018 c 12 s 1  
16 are each reenacted and amended to read as follows:

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

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

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

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

28 (i) In grade seven through twelve; or

29 (ii) Are between the ages of eighteen and twenty-one and have not  
30 graduated from high school; or

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

35 (2) Eligible students and the students' parents or guardians  
36 shall be notified of the student's eligibility for the Washington  
37 college bound scholarship program beginning in the student's seventh  
38 grade year. Students and the students' parents or guardians shall  
39 also be notified of the requirements for award of the scholarship.

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

8 (b) (i) Beginning in the 2018-19 academic year, the office of  
9 student financial assistance shall make multiple attempts to secure  
10 the signature of the student's parent or guardian for the purpose of  
11 witnessing the pledge.

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

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

29 (c) A student eligible under subsection (1) (b) of this section  
30 shall be automatically enrolled, with no action necessary by the  
31 student or the student's family, and the enrollment form must be  
32 forwarded by the department of social and health services to the  
33 office of student financial assistance by mail or electronically, as  
34 indicated on the form.

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

39 (b) (i) To receive the Washington college bound scholarship, a  
40 student must graduate with at least a "C" average from a public high

1 school or an approved private high school under chapter 28A.195 RCW  
2 in Washington or have received home-based instruction under chapter  
3 28A.200 RCW, must have no felony convictions, and must be a resident  
4 student as defined in RCW 28B.15.012(2) (a) through (e). A student  
5 who is eligible to receive the Washington college bound scholarship  
6 because the student is a resident student under RCW 28B.15.012(2) (e)  
7 must provide the institution, as defined in RCW 28B.15.012, an  
8 affidavit indicating that the individual will file an application to  
9 become a permanent resident at the earliest opportunity the  
10 individual is eligible to do so and a willingness to engage in any  
11 other activities necessary to acquire citizenship, including but not  
12 limited to citizenship or civics review courses.

13 (ii) For eligible children as defined in subsection (1)(b) and  
14 (c) of this section, to receive the Washington college bound  
15 scholarship, a student must have received a high school equivalency  
16 certificate as provided in RCW 28B.50.536 or have graduated with at  
17 least a "C" average from a public high school or an approved private  
18 high school under chapter 28A.195 RCW in Washington or have received  
19 home-based instruction under chapter 28A.200 RCW, must have no felony  
20 convictions, and must be a resident student as defined in RCW  
21 28B.15.012(2) (a) through (e).

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

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

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

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

39 (b) For students attending private four-year institutions of  
40 higher education in Washington, the award amount shall be the

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

5 (c) For students attending private vocational schools in  
6 Washington, the award amount shall be the representative average of  
7 awards granted to students in public community and technical colleges  
8 in Washington or the representative average of awards granted to  
9 students in public community and technical colleges in Washington in  
10 the 2014-15 academic year, whichever is greater.

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

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

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

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

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

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

32 **Sec. 45.** RCW 28B.118.090 and 2015 c 244 s 6 are each amended to  
33 read as follows:

34 (1) Beginning January 1, 2015, and at a minimum every year  
35 thereafter, the student achievement council and all institutions of  
36 higher education eligible to participate in the college bound  
37 scholarship program shall ensure data needed to analyze and evaluate  
38 the effectiveness of the college bound scholarship program is  
39 promptly transmitted to the education data center created in RCW



1 43.41.400 so that it is available and easily accessible. The data to  
2 be reported should include but not be limited to:

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

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

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

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

11 (e) College bound scholarship recipient grade point averages;

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

14 (g) College bound scholarship program costs; and

15 (h) Impacts to the (~~state-need~~) Washington college grant  
16 program.

17 (2) Beginning May 12, 2015, and at a minimum every December 1st  
18 thereafter, the student achievement council shall submit student unit  
19 record data for the college bound scholarship program applicants and  
20 recipients to the education data center.

21 **Sec. 46.** RCW 28B.133.010 and 2013 c 248 s 4 are each amended to  
22 read as follows:

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

32 **Sec. 47.** RCW 28B.133.020 and 2004 c 275 s 73 are each amended to  
33 read as follows:

34 To be eligible for the educational assistance grant program for  
35 students with dependents, applicants shall: (1) Be residents of the  
36 state of Washington; (2) be (~~needy~~) students who demonstrate  
37 financial need as defined in RCW 28B.92.030(~~(+3)~~); (3) be eligible  
38 to participate in the (~~state-need~~) Washington college grant program

1 as set forth under chapter 28B.92 RCW (~~(28B.92.080)~~); and (4) have  
2 dependents eighteen years of age or younger who are under their care.

3 **Sec. 48.** RCW 28C.18.166 and 2011 1st sp.s. c 11 s 242 are each  
4 amended to read as follows:

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

13 **2. STUDENT LOAN RELIEF**

14 NEW SECTION. **Sec. 49.** The legislature finds that a  
15 postsecondary credential is essential to Washingtonians' ability to  
16 attain jobs with good salaries and advancement opportunities, and  
17 that meeting the increasing demand for credentialed workers to fill  
18 jobs in Washington is essential to the future health of the state's  
19 economy. The legislature finds that the amount of debt that  
20 individual Washingtonians incur in pursuit of postsecondary  
21 credentials represents a growing burden on individuals and on the  
22 state's economy at large that negatively impacts individuals' ability  
23 to obtain a postsecondary credential, as well as their ability to  
24 save for retirement, purchase a home, and start a family. The  
25 legislature finds that giving Washingtonians new tools to address  
26 this burden is necessary to help make higher education more  
27 accessible and affordable.

28 NEW SECTION. **Sec. 50.** The definitions in this section apply  
29 throughout this chapter unless the context clearly requires  
30 otherwise.

- 31 (1) "Council" means the Washington student achievement council.  
32 (2) "Financial institution" has the same meaning as in RCW  
33 7.88.010.  
34 (3) "Interest rate buy down incentive" means the use of state  
35 funds to enable qualified borrowers to receive below market rate  
36 interest rates for the purposes of this chapter.

1 (4) "Loan loss reserve coverage" means partial risk coverage to  
2 financial institutions to cover losses on qualified loans according  
3 to the terms set forth in the contract between the agency and the  
4 financial institution for the purposes of this chapter.

5 (5) "Program" means the Washington student loan refinancing  
6 program.

7 (6) "Qualified borrower" means an individual meeting all of the  
8 following requirements:

9 (a) Resident of the state of Washington;

10 (b) Is enrolled in, or has completed, a certificate, associate's,  
11 bachelor's, graduate, or professional degree program; and

12 (c) Other criteria as deemed appropriate by the council.

13 (7) "Qualified loan" means a loan or a portion of a loan made by  
14 a financial institution to a qualified borrower to refinance an  
15 existing student loan under the program. Only a federal direct PLUS  
16 loan or a private student loan determined by the financial  
17 institution to be an educational loan that is nondischargeable in  
18 bankruptcy as set forth in 11 U.S.C. Sec. 523 as it existed on  
19 January 14, 2019, shall be a qualified loan eligible for refinancing.  
20 A qualified loan made under the program shall:

21 (a) Carry a contractual interest rate at least one-quarter of one  
22 percentage point lower than the loan being refinanced, and may be  
23 made with the interest rates, fees, and other terms and conditions  
24 agreed upon by the financial institution and the qualified borrower;  
25 and

26 (b) Specify that a qualified borrower's obligation under a  
27 qualified loan must be discharged if the qualified borrower dies,  
28 based on the following:

29 (i) An original or certified copy of the qualified borrower's  
30 death certificate;

31 (ii) An accurate and complete photocopy of the original or  
32 certified copy of the qualified borrower's death certificate;

33 (iii) An accurate and complete original or certified copy of the  
34 qualified borrower's death certificate that is scanned and submitted  
35 electronically or sent by facsimile transmission; or

36 (iv) Verification of the qualified borrower's death through an  
37 authoritative federal or state electronic database approved for use  
38 by the council.

39 (8) This section expires July 1, 2029.

1        NEW SECTION.        **Sec. 51.**        (1) Subject to the availability of  
2 amounts appropriated for this specific purpose, the Washington  
3 student loan refinancing program is created.

4        (2) The program shall be administered by the council. To execute  
5 the program the council shall contract with up to five financial  
6 institutions. The financial institutions, in consultation with the  
7 council, may leverage the interest rate buy down incentive or the  
8 loan loss reserve coverage, or some combination thereof, to refinance  
9 existing student loans. In administering the program, the council  
10 may:

11        (a) Impose reasonable limits on the terms of qualified loans;  
12        (b) Impose reasonable limits on the terms of qualified borrowers;  
13        (c) Impose reasonable limits on the use of state funds for the  
14 marketing on qualified loan products by financial institutions;

15        (d) Establish minimum reporting requirements for financial  
16 institutions participating in the program;

17        (e) Establish minimum required disclosures by financial  
18 institutions for qualified loans. At a minimum, the disclosures must  
19 notify qualified borrowers of the:

20        (i) Loss of borrower protections including income contingent  
21 repayment and public service loan forgiveness options if the  
22 qualified borrower is refinancing a federal direct PLUS student loan  
23 under this chapter; and

24        (ii) Estimated total cost of the qualified loan, including  
25 accrued interest under this chapter;

26        (f) Appoint and use advisory committees and the department of  
27 financial institutions as needed to provide program guidance and  
28 direction;

29        (g) Formulate and adopt all other policies and rules necessary  
30 for the efficient administration of the program;

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

34        (i) Perform all acts necessary and proper to carry out the duties  
35 and responsibilities of the program under this chapter.

36        (3) On a biennial basis beginning July 1, 2020, the council must  
37 report to the appropriate committees of the legislature the:

38        (a) Number of financial institutions currently under contract  
39 through the program;

1 (b) Number of qualified student loans successfully refinanced  
2 under the program;

3 (c) Qualified borrower requirements established by the council  
4 and the financial institutions;

5 (d) Demographic information for borrowers that includes gender,  
6 race or ethnicity, income level, and geography; and

7 (e) Estimated total savings by qualified borrowers with qualified  
8 loans as defined by the difference between what the student would  
9 have paid under the existing loan and what the student would pay when  
10 given the option to refinance.

11 (4) This section expires July 1, 2029.

12 NEW SECTION. **Sec. 52.** Sections 49 through 51 of this act  
13 constitute a new chapter in Title 28B RCW.

### 14 **3. EXPANDING CAREER CONNECTED LEARNING OPPORTUNITIES**

15 NEW SECTION. **Sec. 53.** (1) The legislature recognizes that in  
16 Washington's fast-growing economy local employers need access to a  
17 pool of diverse, skilled talent, but too few people are prepared for  
18 the career opportunities available. Across the state, there are  
19 persistent opportunity gaps in education and employment. Even in  
20 today's thriving economy, the path to economic self-sufficiency and  
21 fulfillment is difficult for many people.

22 (2) The legislature intends to scale up high-quality career  
23 connected learning opportunities that address persistent educational  
24 opportunity gaps and meet the talent needs of employers. Through  
25 career connected learning opportunities that are available across  
26 communities and regions, individuals can advance their academic  
27 learning and build awareness of, exposure to, and preparation for,  
28 career opportunities.

29 (3) In order to create a statewide, sustainable career connected  
30 learning system, three areas must be addressed:

31 (a) Statewide system development through cross-sector  
32 coordination;

33 (b) Directing resources to K-12 and higher education partners to  
34 support enrollment in career launch and registered apprenticeship  
35 programs and other career connected learning opportunities; and

36 (c) Support for regional leadership and coordination to  
37 facilitate connections between industry and education, implement

1 career connected learning programs, and help young adults and  
2 employers to navigate these opportunities.

3 NEW SECTION. **Sec. 54.** (1) Within existing resources, a career  
4 connected learning cross-agency work group is established to scale up  
5 and expand high-quality career connected learning opportunities in  
6 communities across the state.

7 (2) The purpose of the work group is to coordinate agency  
8 functions and external partnerships and carry out the duties and  
9 responsibilities set forth in section 55 of this act.

10 (3) The governor shall select the chair of the work group.

11 (4) The governor's office may consult or contract with entities  
12 with expertise in industry and education partnerships to provide  
13 staffing support and guidance on industry talent needs. The  
14 governor's office may convene additional ad hoc committees that  
15 include industry sector advisory groups and leaders including, but  
16 not limited to, high-level representatives from education, industry,  
17 philanthropy, as well as students, parents, and community partners.

18 (5) The work group must consist of, but is not limited to,  
19 representatives from the following offices and agencies:

20 (a) The department of labor and industries in consultation with  
21 the regulatory apprenticeship council under RCW 49.04.010;

22 (b) The department of social and health services, including the  
23 division of vocational rehabilitation;

24 (c) The work-integrated learning advisory committee established  
25 in RCW 28A.300.196 or its successor;

26 (d) The education research and data center at the office of  
27 financial management;

28 (e) The employment security department;

29 (f) The office of the superintendent of public instruction;

30 (g) The state board of education;

31 (h) The state board for community and technical colleges;

32 (i) The student achievement council;

33 (j) The workforce training and education coordinating board;

34 (k) One representative of the public baccalaureate institutions;

35 (l) One representative of the independent four-year institutions  
36 of higher education;

37 (m) The department of children, youth, and families;

38 (n) The office of the lieutenant governor; and

39 (o) The office of the governor.

1 (6) The office of the governor may establish subcommittees of the  
2 work group to plan and execute the duties and responsibilities under  
3 section 55 of this act.

4 (7) The work group shall:

5 (a) Coordinate its strategies and actions related to the common  
6 schools with the recommendations of the work-integrated learning  
7 advisory committee;

8 (b) Meet at least six times during the calendar year; and

9 (c) Report progress to the governor and appropriate committees of  
10 the legislature by September 1st annually.

11 NEW SECTION. **Sec. 55.** The career connected learning cross-  
12 agency work group established in section 54 of this act shall have  
13 the following duties and responsibilities:

14 (1) Advance and promote the career connect Washington vision to  
15 create a statewide system for career connected learning and the need  
16 for joint action as follows:

17 (a) Create, and periodically update, clear guidance for endorsing  
18 career launch programs to guide quality assurance for the purpose of  
19 expanding enrollments by August 1, 2019. Registered apprenticeships  
20 as approved by the Washington apprenticeship and training council at  
21 the department of labor and industries are considered endorsed career  
22 launch programs;

23 (b) Prioritize activities including coordinating cross-agency and  
24 industry sector leadership to advance strategic priorities;

25 (c) Implement a marketing and communications agenda;

26 (d) Mobilize private sector and philanthropic leadership and  
27 resources to support system building;

28 (e) Build systemic functions in key agencies and existing  
29 systems;

30 (f) Create a statewide inventory that identifies existing support  
31 programs to promote equitable participation in career connected  
32 learning, including resources for populations to reengage with  
33 educational opportunities;

34 (g) Develop web sites and other resources, and coordinate current  
35 resources managed by the workforce training and education  
36 coordinating board, the student achievement council, and the  
37 employment security department, to inform students, employers, and  
38 the public about career connected learning opportunities;

1 (h) Develop financial and other support services to increase  
2 access and success in career connected learning for students facing  
3 barriers or living in underserved communities;

4 (i) Address transfer and articulation issues to ensure career  
5 launch program participants receive high school and college credit in  
6 programs initiated in K-12 or dropout reengagement programs, or  
7 college credit in postsecondary programs and registered  
8 apprenticeships, and work to expand the portability of credits to the  
9 maximum extent possible;

10 (j) With respect to the portability of credit for the purposes of  
11 postsecondary degree attainment, the career connected learning work  
12 group shall coordinate when appropriate with the complete Washington  
13 program;

14 (k) Establish clear targets for equity to guide state data  
15 development and action by regional partners related to program design  
16 and expansion, including specific equity-focused criteria within  
17 grant funding processes and strategies; and

18 (l) Develop data systems and protocols for career connected  
19 learning planning and evaluation purposes;

20 (2) By September 1, 2019, and by each September 1st thereafter,  
21 make budget recommendations to the office of financial management, to  
22 direct resources to education programs for career connected learning  
23 as follows:

24 (a) Support the K-12 system and the office of the superintendent  
25 of public instruction to increase student participation in career  
26 connected learning and work-integrated learning programs that include  
27 career awareness and exploration, career preparation, and career  
28 launch;

29 (b) Support expansion of innovative program design in registered  
30 apprenticeships, year-round and summer programs, and equitable access  
31 to dual credit;

32 (c) Support two-year and four-year institutions of higher  
33 education to expand career connected learning enrollments, and  
34 specifically:

35 (i) Build capacity at community and technical colleges to support  
36 innovative design in career launch and registered apprenticeship  
37 programs, as well as program participation by high school graduates  
38 or out-of-school youth;

39 (ii) Align the use of work-study to support career launch and  
40 registered apprenticeship programs; and



1 (iii) Clarify financial aid eligibility and exclusions from  
2 financial aid caps for career launch and registered apprenticeship  
3 programs;

4 (d) Promote innovation in equivalency and credentialing within  
5 endorsed career launch and registered apprenticeship programs;

6 (e) Expand the number of portable credits and credit for prior  
7 learning to ensure that career launch programs transfer for high  
8 school or college credit to the maximum extent possible; and

9 (f) Support the registered apprenticeship system and the  
10 department of labor and industries to build capacity to expand  
11 registered apprenticeship and preapprenticeship programs;

12 (3) Support regional leadership, program intermediaries, and  
13 career connected learning and work-integrated learning navigation and  
14 coordination to expand participation in career connected learning and  
15 work-integrated learning opportunities and the implementation of the  
16 career connected learning grant program established in section 56 of  
17 this act;

18 (4) Support the formation and operation of regional networks in  
19 both rural and urban areas to guide career connected learning and  
20 work-integrated learning opportunities that are both tailored to the  
21 local needs of students and employers, and designed for portable  
22 credentials across education settings and across an industry; and

23 (5) Develop a data enclave for career connected learning and  
24 work-integrated learning to measure progress and ensure equity of  
25 opportunity for career connected learning and work-integrated  
26 learning, led by the education research and data center at the office  
27 of financial management, as follows:

28 (a) Develop program codes for career connected learning and work-  
29 integrated learning opportunities in K-12 and postsecondary education  
30 in order to track those programs that are designated as career  
31 connected learning programs for each of the three categories set  
32 forth in the definition of "career connected learning" in section 57  
33 of this act; and

34 (b) Collect and disaggregate program participation and outcomes  
35 data by race, gender, income, rurality, ability, foster youth,  
36 homeless youth, English language learner, and other relevant  
37 categories.

38 NEW SECTION. **Sec. 56.** (1) Subject to the availability of  
39 amounts appropriated for this specific purpose, the career connected

1 learning grant program is established as a competitive grant program  
2 to advance the career connect Washington vision under section 55 of  
3 this act. The employment security department shall administer the  
4 program. The governor's office shall work with the employment  
5 security department to establish grant criteria and guide the process  
6 for selection with consultation from the career connected learning  
7 cross-agency work group.

8 (2) The purpose of the career connected learning grant program is  
9 to create career connected learning opportunities, including career  
10 awareness and exploration, career preparation, and career launch  
11 programs, that are both tailored to the local needs of students and  
12 employers and designed so that students may receive high school or  
13 college credit across industries and regions of the state to the  
14 maximum extent possible.

15 (3) The program funds shall be used for two overarching purposes:

16 (a) Support regional career connected learning and work-  
17 integrated learning networks in both rural and urban areas under  
18 subsection (5) of this section; and

19 (b) Support career connected learning program intermediaries  
20 working within and across regions who partner with multiple  
21 employers, labor partners, and educational institutions, work with  
22 K-12 and postsecondary career representatives to develop curricula  
23 for new and innovative programs, and scale existing career awareness  
24 and exploration, career preparation, and endorsed career launch  
25 programs.

26 (4) The program administrator shall consult with the governor's  
27 office and the career connected learning cross-agency work group  
28 established in section 54 of this act to develop a formal request for  
29 proposal for both the regional career connected learning and work-  
30 integrated learning networks and the program intermediaries.

31 (5) (a) Proposals for regional career connected learning and work-  
32 integrated learning networks and intermediaries may be sought from  
33 applicants within the geographic areas of the nine educational  
34 service districts. Successful applicants shall convene and manage  
35 regional, cross-industry networks that will lead to the expansion of  
36 career connected learning opportunities.

37 (b) Regional career connected learning and work-integrated  
38 learning network applicants must demonstrate regional knowledge and  
39 status as a trusted partner of industry and education stakeholders, a  
40 track record of success with career connected learning and aligned

1 initiatives, and a commitment to equity. Regional career connected  
2 learning networks may include, but are not limited to, regional  
3 education networks, school districts, educational service districts,  
4 higher education institutions, workforce development councils,  
5 chambers of commerce, industry associations, joint labor management  
6 councils, multiemployer training partnerships, economic development  
7 councils, and nonprofit organizations.

8 (6) Eligible program intermediary applicants may include, but are  
9 not limited to, new or existing industry associations, joint labor  
10 management councils, regional networks, career technical student  
11 organizations, postsecondary education and training institutions  
12 working with multiple employer partners, state agencies, and other  
13 community-based organizations and expanded learning partners.

14 (7) Program intermediaries must work with appropriate faculty and  
15 staff at the state universities, the regional universities, and the  
16 state college, and K-12 education representatives, to expand the  
17 number of career launch program credits that may be articulated and  
18 transferred to postsecondary degree programs.

19 (8) Subject to the availability of amounts appropriated for this  
20 specific purpose, the employment security department, as the  
21 administrator of the program, has the authority to utilize funds  
22 deposited in the career connected learning account for the purposes  
23 of the program.

24 NEW SECTION. **Sec. 57.** The definitions in this section apply  
25 throughout this chapter unless the context clearly requires  
26 otherwise.

27 (1) "Career awareness and exploration" means programs,  
28 activities, and events that provide early exposure to jobs and  
29 industries. "Career awareness and exploration" are structured  
30 programs that include job fairs, guest speakers, job shadows, job  
31 site tours, and other similar activities.

32 (2) "Career connected learning" means a learning experience that  
33 is integrated with work-related content and skills in the following  
34 three categories: (a) Career awareness and exploration; (b) career  
35 preparation; and (c) career launch. "Career connected learning"  
36 includes work-integrated learning and work-integrated experiences.

37 (3)(a) "Career launch programs" means registered apprenticeships  
38 and programs that combine the following three elements:

39 (i) Supervised paid work experience;

1 (ii) Aligned classroom learning to academic and employer  
2 standards. For career launch programs involving the K-12 system,  
3 aligned classroom learning must meet educational requirements and  
4 standards of the office of the superintendent of public instruction;  
5 and

6 (iii) Culmination in a valuable credential beyond a high school  
7 diploma or forty-five college credits towards a two-year or four-year  
8 postsecondary credential.

9 (b) "Career launch programs" include the elements in (a) of this  
10 subsection and may be achieved through, but are not limited to, one  
11 or more of the following:

12 (i) A state-approved career and technical education sequence of  
13 courses or program of study that include requirements in alignment  
14 with RCW 28A.700.030;

15 (ii) A qualifying degree or credential earned through a community  
16 or technical college or university.

17 (c) "Career launch programs" may be initiated in a secondary  
18 education system and completed in a postsecondary education system,  
19 or first year of paid employment, as long as all parties jointly plan  
20 the program.

21 (d) "Career launch programs" must be endorsed through the process  
22 created under section 55(1)(a) of this act.

23 (4) "Career preparation programs" means programs that give  
24 students hands-on skills and knowledge experience within a particular  
25 business, career track, or industry, and help prepare students to  
26 work in a professional setting. "Career preparation programs" include  
27 career and technical education courses, on-site internships,  
28 preapprenticeship programs, and other similar opportunities.

29 (5) "Complete Washington" means the program established in the  
30 2018 omnibus operating appropriations act, section 117, chapter 299,  
31 Laws of 2018, for the purpose of connecting prior learning with  
32 postsecondary degree completion.

33 (6) "Work group" means the career connected learning cross-agency  
34 work group established in section 54 of this act.

35 (7) "Work-integrated learning" has the meaning provided in RCW  
36 28A.630.135.

37 NEW SECTION. **Sec. 58.** Where applicable, career awareness and  
38 exploration, career connected learning, career launch programs, and

1 career preparation programs are subject to RCW 49.12.121 and  
2 49.12.123 regarding employing minors.

3 NEW SECTION. **Sec. 59.** The career connected learning account is  
4 created in the state treasury. All receipts from public or private  
5 sources provided for the purpose of funding grants under section 56  
6 of this act must be deposited into the account. Moneys in the account  
7 may be spent only after appropriation. Expenditures from the account  
8 may be used only for career connected learning grants.

9 NEW SECTION. **Sec. 60.** A new section is added to chapter 28A.700  
10 RCW to read as follows:

11 (1) Beginning in the 2019-20 school year, to allow students to  
12 engage in learning outside of the school day or in a summer program,  
13 school districts shall be funded up to one and two-tenths full-time  
14 equivalents for career launch programs, as defined in section 57 of  
15 this act.

16 (2) The office of the superintendent of public instruction shall  
17 develop procedures to ensure that school districts do not report any  
18 student for more than one and two-tenths full-time equivalent  
19 students, combining both the student's high school enrollment and  
20 career launch enrollment.

21 **Sec. 61.** RCW 28C.18.060 and 2017 c 39 s 4 are each amended to  
22 read as follows:

23 The board, in cooperation with the operating agencies of the  
24 state training system and private career schools and colleges, shall:

25 (1) Concentrate its major efforts on planning, coordination  
26 evaluation, policy analysis, and recommending improvements to the  
27 state's training system;

28 (2) Advocate for the state training system and for meeting the  
29 needs of employers and the workforce for workforce education and  
30 training;

31 (3) Establish and maintain an inventory of the programs of the  
32 state training system, and related state programs, and perform a  
33 biennial assessment of the vocational education, training, and adult  
34 basic education and literacy needs of the state; identify ongoing and  
35 strategic education needs; and assess the extent to which employment,  
36 training, vocational and basic education, rehabilitation services,

1 and public assistance services represent a consistent, integrated  
2 approach to meet such needs;

3 (4) Develop and maintain a state comprehensive plan for workforce  
4 training and education, including but not limited to, goals,  
5 objectives, and priorities for the state training system, and review  
6 the state training system for consistency with the state  
7 comprehensive plan. In developing the state comprehensive plan for  
8 workforce training and education, the board shall use, but shall not  
9 be limited to: Economic, labor market, and populations trends reports  
10 in office of financial management forecasts; joint office of  
11 financial management and employment security department labor force,  
12 industry employment, and occupational forecasts; the results of  
13 scientifically based outcome, net-impact and cost-benefit  
14 evaluations; the needs of employers as evidenced in formal employer  
15 surveys and other employer input; and the needs of program  
16 participants and workers as evidenced in formal surveys and other  
17 input from program participants and the labor community;

18 (5) In consultation with the student achievement council, review  
19 and make recommendations to the office of financial management and  
20 the legislature on operating and capital facilities budget requests  
21 for operating agencies of the state training system for purposes of  
22 consistency with the state comprehensive plan for workforce training  
23 and education;

24 (6) Provide for coordination among the different operating  
25 agencies and components of the state training system at the state  
26 level and at the regional level;

27 (7) Develop a consistent and reliable database on vocational  
28 education enrollments, costs, program activities, and job placements  
29 from publicly funded vocational education programs in this state;

30 (8)(a) Establish standards for data collection and maintenance  
31 for the operating agencies of the state training system in a format  
32 that is accessible to use by the board. The board shall require a  
33 minimum of common core data to be collected by each operating agency  
34 of the state training system;

35 (b) Develop requirements for minimum common core data in  
36 consultation with the office of financial management and the  
37 operating agencies of the training system;

38 (9) Establish minimum standards for program evaluation for the  
39 operating agencies of the state training system, including, but not  
40 limited to, the use of common survey instruments and procedures for

1 measuring perceptions of program participants and employers of  
2 program participants, and monitor such program evaluation;

3 (10) Every two years administer scientifically based outcome  
4 evaluations of the state training system, including, but not limited  
5 to, surveys of program participants, surveys of employers of program  
6 participants, and matches with employment security department payroll  
7 and wage files. Every five years administer scientifically based net-  
8 impact and cost-benefit evaluations of the state training system;

9 (11) In cooperation with the employment security department,  
10 provide for the improvement and maintenance of quality and utility in  
11 occupational information and forecasts for use in training system  
12 planning and evaluation. Improvements shall include, but not be  
13 limited to, development of state-based occupational change factors  
14 involving input by employers and employees, and delineation of skill  
15 and training requirements by education level associated with current  
16 and forecasted occupations;

17 (12) Provide for the development of common course description  
18 formats, common reporting requirements, and common definitions for  
19 operating agencies of the training system;

20 (13) Provide for effectiveness and efficiency reviews of the  
21 state training system;

22 (14) In cooperation with the student achievement council,  
23 facilitate transfer of credit policies and agreements between  
24 institutions of the state training system, and encourage articulation  
25 agreements for programs encompassing two years of secondary workforce  
26 education and two years of postsecondary workforce education;

27 (15) In cooperation with the student achievement council,  
28 facilitate transfer of credit policies and agreements between private  
29 training institutions and institutions of the state training system;

30 (16) Develop policy objectives for the workforce innovation and  
31 opportunity act, P.L. 113-128, or its successor; develop coordination  
32 criteria for activities under the act with related programs and  
33 services provided by state and local education and training agencies;  
34 and ensure that entrepreneurial training opportunities are available  
35 through programs of each local workforce development board in the  
36 state;

37 (17) Ensure that the expansion of K-12 and postsecondary  
38 opportunities for career connected learning and work-integrated  
39 learning, as those terms are defined in section 57 of this act, is  
40 incorporated into the state plan adopted for the purposes of the Carl

1 D. Perkins career and technical education improvement act, P.L.  
2 109-270;

3 (18) Make recommendations to the commission of student  
4 assessment, the state board of education, and the superintendent of  
5 public instruction, concerning basic skill competencies and essential  
6 core competencies for K-12 education. Basic skills for this purpose  
7 shall be reading, writing, computation, speaking, and critical  
8 thinking, essential core competencies for this purpose shall be  
9 English, math, science/technology, history, geography, and critical  
10 thinking. The board shall monitor the development of and provide  
11 advice concerning secondary curriculum which integrates vocational  
12 and academic education;

13 ~~((18))~~ (19) Establish and administer programs for marketing and  
14 outreach to businesses and potential program participants;

15 ~~((19))~~ (20) Facilitate the location of support services,  
16 including but not limited to, child care, financial aid, career  
17 counseling, and job placement services, for students and trainees at  
18 institutions in the state training system, and advocate for support  
19 services for trainees and students in the state training system;

20 ~~((20))~~ (21) Facilitate private sector assistance for the state  
21 training system, including but not limited to: Financial assistance,  
22 rotation of private and public personnel, and vocational counseling;

23 ~~((21))~~ (22) Facilitate the development of programs for school-  
24 to-work transition that combine classroom education and on-the-job  
25 training, including entrepreneurial education and training, in  
26 industries and occupations without a significant number of  
27 apprenticeship programs;

28 ~~((22))~~ (23) Include in the planning requirements for local  
29 workforce development boards a requirement that the local workforce  
30 development boards specify how entrepreneurial training is to be  
31 offered through the one-stop system required under the workforce  
32 innovation and opportunity act, P.L. 113-128, or its successor;

33 ~~((23))~~ (24) Encourage and assess progress for the equitable  
34 representation of racial and ethnic minorities, women, and people  
35 with disabilities among the students, teachers, and administrators of  
36 the state training system. Equitable, for this purpose, shall mean  
37 substantially proportional to their percentage of the state  
38 population in the geographic area served. This function of the board  
39 shall in no way lessen more stringent state or federal requirements



1 for representation of racial and ethnic minorities, women, and people  
2 with disabilities;

3 ~~((24))~~ (25) Participate in the planning and policy development  
4 of governor set-aside grants under P.L. 97-300, as amended;

5 ~~((25))~~ (26) Administer veterans' programs, licensure of private  
6 vocational schools, the job skills program, and the Washington award  
7 for vocational excellence;

8 ~~((26))~~ (27) Allocate funding from the state job training trust  
9 fund;

10 ~~((27))~~ (28) Work with the director of commerce to ensure  
11 coordination among workforce training priorities and economic  
12 development and entrepreneurial development efforts, including but  
13 not limited to assistance to industry clusters;

14 ~~((28))~~ (29) Conduct research into workforce development  
15 programs designed to reduce the high unemployment rate among young  
16 people between approximately eighteen and twenty-four years of age.  
17 In consultation with the operating agencies, the board shall advise  
18 the governor and legislature on policies and programs to alleviate  
19 the high unemployment rate among young people. The research shall  
20 include disaggregated demographic information and, to the extent  
21 possible, income data for adult youth. The research shall also  
22 include a comparison of the effectiveness of programs examined as a  
23 part of the research conducted in this subsection in relation to the  
24 public investment made in these programs in reducing unemployment of  
25 young adults. The board shall report to the appropriate committees of  
26 the legislature by November 15, 2008, and every two years thereafter.  
27 Where possible, the data reported to the legislative committees  
28 should be reported in numbers and in percentages;

29 ~~((29))~~ (30) Adopt rules as necessary to implement this chapter.

30 The board may delegate to the director any of the functions of  
31 this section.

#### 32 **4. WASHINGTON STATE OPPORTUNITY SCHOLARSHIP**

33 **Sec. 62.** RCW 28B.145.005 and 2018 c 209 s 5 and 2018 c 114 s 1  
34 are each reenacted and amended to read as follows:

35 The legislature finds that, despite increases in degree  
36 production, there remain acute shortages in high employer demand  
37 programs of study, particularly in the science, technology,  
38 engineering, and mathematics (STEM) and health care fields of study.

1 According to the workforce training and education coordinating board,  
2 seventeen percent of Washington businesses had difficulty finding job  
3 applicants in 2010. Eleven thousand employers did not fill a vacancy  
4 because they lacked qualified job applicants. Fifty-nine percent of  
5 projected job openings in Washington state from now until 2017 will  
6 require some form of postsecondary education and training.

7 It is the intent of the legislature to provide jobs and  
8 opportunity by making Washington the place where the world's most  
9 productive companies find the world's most talented people. The  
10 legislature intends to accomplish this through the creation of the  
11 opportunity scholarship and the opportunity expansion programs to:  
12 Help mitigate the impact of tuition increases((7)); increase the  
13 number of professional-technical certificates, professional-technical  
14 degrees, ((and)) baccalaureate degrees in high employer demand and  
15 other programs, and advanced degrees in health professions ((needed  
16 in service obligation areas,7)); and invest in programs and students  
17 to meet market demands for a knowledge-based economy while filling  
18 middle-income jobs with a sufficient supply of skilled workers.

19 **Sec. 63.** RCW 28B.145.010 and 2018 c 254 s 9, 2018 c 209 s 6, and  
20 2018 c 114 s 2 are each reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (v) Has been accepted at an institution of higher education into  
19 an eligible advanced degree program (~~(and has agreed to the service~~  
20 ~~obligation established by the board)~~) that leads to credentials in  
21 health professions;

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

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

28 (9) "Gift aid" means financial aid received from the federal Pell  
29 grant, the (~~(state need)~~) Washington college grant program in chapter  
30 28B.92 RCW, the college bound scholarship program in chapter 28B.118  
31 RCW, the opportunity grant program in chapter 28B.50 RCW, (~~(the~~  
32 ~~opportunity scholarship program in this chapter,~~) or any other state  
33 grant, scholarship, or worker retraining program that provides funds  
34 for educational purposes with no obligation of repayment. "Gift aid"  
35 does not include student loans, work-study programs, the basic food  
36 employment and training program administered by the department of  
37 social and health services, or other employment assistance programs  
38 that provide job readiness opportunities and support beyond the costs  
39 of tuition, books, and fees.

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

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

5 (12) "Private sources," "private funds," "private contributions,"  
6 or "private sector contributions" means donations from private  
7 organizations, corporations, federally recognized Indian tribes,  
8 municipalities, counties, and other sources, but excludes state  
9 dollars.

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

14 ~~((13))~~ (14) "Professional-technical degree" means a program as  
15 approved by the state board for community and technical colleges  
16 under RCW 28B.50.090(7)(c), that is offered by an institution of  
17 higher education.

18 ~~((14))~~ (15) "Program administrator" means a private nonprofit  
19 corporation registered under Title 24 RCW and qualified as a tax-  
20 exempt entity under section 501(c)(3) of the federal internal revenue  
21 code.

22 ~~((15))~~ (16) "Resident student" has the same meaning as provided  
23 in RCW 28B.15.012.

24 ~~((16))~~ (17) "Rural jobs program" means the rural county high  
25 employer demand jobs program created in this chapter.

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

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

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

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

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

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

6 **Sec. 64.** RCW 28B.145.020 and 2018 c 254 s 2, 2018 c 209 s 7, and  
7 2018 c 114 s 3 are each reenacted and amended to read as follows:

8 (1) The opportunity scholarship board is created. The board  
9 consists of eleven members:

10 (a) Six members appointed by the governor. For three of the six  
11 appointments, the governor shall consider names from a list provided  
12 by the president of the senate and the speaker of the house of  
13 representatives; and

14 (b) Five foundation or business and industry representatives  
15 appointed by the governor from among the state's most productive  
16 industries such as aerospace, manufacturing, health care, information  
17 technology, engineering, agriculture, and others, as well as  
18 philanthropy. The foundation or business and industry representatives  
19 shall be selected from among nominations provided by the private  
20 sector donors to the opportunity scholarship and opportunity  
21 expansion programs. However, the governor may request, and the  
22 private sector donors shall provide, an additional list or lists from  
23 which the governor shall select these representatives.

24 (2) Board members shall hold their offices for a term of four  
25 years from the first day of September and until their successors are  
26 appointed. No more than the terms of two members may expire  
27 simultaneously on the last day of August in any one year.

28 (3) The members of the board shall elect one of the business and  
29 industry representatives to serve as chair.

30 (4) Seven members of the board constitute a quorum for the  
31 transaction of business. In case of a vacancy, or when an appointment  
32 is made after the date of expiration of the term, the governor or the  
33 president of the senate or the speaker of the house of  
34 representatives, depending upon which made the initial appointment to  
35 that position, shall fill the vacancy for the remainder of the term  
36 of the board member whose office has become vacant or expired.

37 (5) The board shall be staffed by a program administrator, under  
38 contract with the board and the council.

1 (6) The purpose of the board is to provide oversight and guidance  
2 for the opportunity expansion (~~([program])~~) program, the opportunity  
3 scholarship program(~~(s-[program])~~), and the rural jobs program, in  
4 light of established legislative priorities and to fulfill the duties  
5 and responsibilities under this chapter, including but not limited to  
6 determining eligible education programs and eligible advanced degree  
7 programs for purposes of the opportunity scholarship program and  
8 rural jobs program. In determining eligible advanced degree programs,  
9 the board shall consider advanced degree programs that lead to  
10 credentials in health professions that include, but are not limited  
11 to, primary care, dental care, behavioral health, and public health.  
12 Duties, exercised jointly with the program administrator, include  
13 soliciting funds and setting annual fund-raising goals.

14 (7) The board may report to the governor and the appropriate  
15 committees of the legislature with recommendations as to:

16 (a) Whether some or all of the scholarships should be changed to  
17 conditional scholarships that must be repaid in the event the  
18 participant does not complete the eligible education program;

19 (b) A source or sources of funds for the opportunity expansion  
20 program in addition to the voluntary contributions of the high-  
21 technology research and development tax credit under RCW 82.32.800;  
22 and

23 (c) Whether the program should include a loan repayment or low-  
24 interest or no-interest loan component for the advanced degree  
25 portion of the program.

26 ~~((8) The board shall report to the governor and the appropriate  
27 committees of the legislature by December 1st of each biennium,  
28 beginning December 1, 2019, on the following:~~

29 ~~(a) A list of the eligible advanced degree programs and service  
30 obligation areas;~~

31 ~~(b) The number of participants in eligible advanced degree  
32 programs, the number of participants completing their service  
33 obligations in a service obligation area, and the number of  
34 participants who have completed their service obligation; and~~

35 ~~(c) The number of participants who did not complete their service  
36 obligation who now owe a repayment obligation and the reasons why the  
37 participants did not complete their service obligations.))~~

38 **Sec. 65.** RCW 28B.145.030 and 2018 c 209 s 8, 2018 c 204 s 2, and  
39 2018 c 114 s 4 are each reenacted and amended to read as follows:

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

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

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

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

24 (i) The "scholarship account," whose principal may be invaded,  
25 and from which scholarships must be disbursed for baccalaureate  
26 programs beginning no later than December 1, 2011, if, by that date,  
27 state matching funds in the amount of five million dollars or more  
28 have been received. Thereafter, scholarships shall be disbursed on an  
29 annual basis beginning no later than May 1, 2012, and every October  
30 1st thereafter;

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

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

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

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

6 (B) The state appropriations for the (~~state need~~) Washington  
7 college grant program under chapter 28B.92 RCW (~~28B.92.010~~) meet or  
8 exceed state appropriations for the state need grant made in the  
9 2011-2013 biennium, adjusted for inflation, and eligibility for  
10 (~~state need~~) Washington college grant recipients is at least  
11 seventy percent of state median family income;

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

36 (vi) Once moneys in the opportunity scholarship match transfer  
37 account are subject to an agreement under RCW 28B.145.050(5) and are  
38 deposited in the scholarship account, the student support pathways  
39 account, the advanced degrees pathways account, or the endowment  
40 account under this section, the state acts in a fiduciary rather than



1 ownership capacity with regard to those assets. Assets in the  
2 scholarship account, the student support pathways account, the  
3 advanced degrees pathways account, and the endowment account are not  
4 considered state money, common cash, or revenue to the state;

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

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

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

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

22 (g) Ensure that if the private source is from a federally  
23 recognized Indian tribe, municipality, or county, an amount at least  
24 equal to the value of the private source plus the state match is  
25 awarded to participants within that federally recognized Indian  
26 tribe, municipality, or county according to the federally recognized  
27 Indian tribe's, municipality's, or county's program rules;

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

38 ((~~h~~)) (i) Distribute scholarship funds to selected  
39 participants. Once awarded, and to the extent funds are available for  
40 distribution, an opportunity scholarship shall be automatically

1 renewed as long as the participant annually submits documentation of  
2 filing both a free application for federal student aid (FAFSA) and  
3 for available federal education tax credits including, but not  
4 limited to, the American opportunity tax credit, or if ineligible to  
5 apply for federal student aid, the participant annually submits  
6 documentation of filing a state financial aid application as approved  
7 by the office of student financial assistance; and until the  
8 participant withdraws from or is no longer attending the program,  
9 completes the program, or has taken the credit or clock hour  
10 equivalent of one hundred twenty-five percent of the published length  
11 of time of the participant's program, whichever occurs first;

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

15 ~~((j) Establish a required service obligation)~~ (k) For  
16 participants enrolled in an eligible advanced degree program, ~~((and~~  
17 ~~establish a process for verifying a))~~ document each participant's  
18 employment ~~((in a service obligation area; and~~

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

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

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

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

35 **Sec. 66.** RCW 28B.145.040 and 2018 c 209 s 9 and 2018 c 114 s 5  
36 are each reenacted and amended to read as follows:

37 (1) The opportunity scholarship program is established.

38 (2) The purpose of this scholarship program is to provide  
39 scholarships that will help low and middle-income Washington

1 residents earn professional-technical certificates, professional-  
2 technical degrees, (~~(or)~~) baccalaureate degrees in high employer  
3 demand and other programs of study, and advanced degrees in health  
4 professions (~~(needed in service obligation areas)~~), and encourage  
5 them to remain in the state to work. The program must be designed for  
6 students starting professional-technical certificate or degree  
7 programs, students starting at two-year institutions of higher  
8 education and intending to transfer to four-year institutions of  
9 higher education, students starting at four-year institutions of  
10 higher education, and students enrolled in (~~(or)~~) eligible advanced  
11 degree programs.

12 (3) The opportunity scholarship board shall determine which  
13 programs of study, including but not limited to high employer demand  
14 programs, are eligible for purposes of the opportunity scholarship.  
15 For eligible advanced degree programs, the board shall limit  
16 scholarships to eligible students enrolling in programs that lead to  
17 credentials in health professions (~~(needed in service obligation~~  
18 ~~areas)~~).

19 (4) (a) The source of funds for the program shall be a combination  
20 of private grants and contributions and state matching funds. A state  
21 match may be earned under this section for private contributions made  
22 on or after June 6, 2011.

23 (b) The state match must be based on donations and pledges  
24 received as of the date each official state caseload forecast is  
25 submitted by the caseload forecast council to the legislative fiscal  
26 committees, as provided under RCW 43.88C.020. The purpose of this  
27 subsection (4)(b) is to ensure the predictable treatment of the  
28 program in the budget process by clarifying the calculation process  
29 of the state match required by this section and ensuring the program  
30 is budgeted at maintenance level.

31 (c) A state match, up to a maximum of fifty million dollars  
32 annually, shall be provided beginning the later of January 1, 2014,  
33 or January 1st next following the end of the fiscal year in which  
34 collections of state retail sales and use tax, state business and  
35 occupation tax, and state public utility tax exceed, by ten percent  
36 the amounts collected from these tax resources in the fiscal year  
37 that ended June 30, 2008, as determined by the department of revenue.

38 **Sec. 67.** RCW 28B.145.090 and 2018 c 254 s 3, 2018 c 209 s 10,  
39 and 2018 c 114 s 6 are each reenacted and amended to read as follows:

1 (1) The board may elect to have the state investment board invest  
2 the funds in the scholarship account, the student support pathways  
3 account, the advanced degrees pathways account, and the endowment  
4 account described under RCW 28B.145.030(2)(b). If the board so  
5 elects, the state investment board has the full power to invest,  
6 reinvest, manage, contract, sell, or exchange investment money in  
7 (~~the three~~) these accounts. All investment and operating costs  
8 associated with the investment of money shall be paid under RCW  
9 43.33A.160 and 43.84.160. With the exception of these expenses, the  
10 earnings from the investment of the money shall be retained by the  
11 accounts.

12 (2) All investments made by the state investment board shall be  
13 made with the exercise of that degree of judgment and care under RCW  
14 43.33A.140 and the investment policy established by the state  
15 investment board.

16 (3) As deemed appropriate by the state investment board, money in  
17 the scholarship account, the student support pathways account, the  
18 advanced degrees pathways account, and the endowment account may be  
19 commingled for investment with other funds subject to investment by  
20 the state investment board.

21 (4) Members of the state investment board shall not be considered  
22 an insurer of the funds or assets and are not liable for any action  
23 or inaction.

24 (5) Members of the state investment board are not liable to the  
25 state, to the fund, or to any other person as a result of their  
26 activities as members, whether ministerial or discretionary, except  
27 for willful dishonesty or intentional violations of law. The state  
28 investment board in its discretion may purchase liability insurance  
29 for members.

30 (6) The authority to establish all policies relating to the  
31 scholarship account, the student support pathways account, the  
32 advanced degrees pathways account, and the endowment account, other  
33 than the investment policies as provided in subsections (1) through  
34 (3) of this section, resides with the board and program administrator  
35 acting in accordance with the principles set forth in this chapter.  
36 With the exception of expenses of the state investment board in  
37 subsection (1) of this section, disbursements from the scholarship  
38 account, the student support pathways account, the advanced degrees  
39 pathways account, and the endowment account shall be made only on the  
40 authorization of the opportunity scholarship board or its designee,

1 and moneys in the accounts may be spent only for the purposes  
2 specified in this chapter.

3 (7) The state investment board shall routinely consult and  
4 communicate with the board on the investment policy, earnings of the  
5 accounts, and related needs of the program.

6 NEW SECTION. **Sec. 68.** A new section is added to chapter 28B.145  
7 RCW to read as follows:

8 The office of student financial assistance and the institutions  
9 of higher education may not consider awards made under the  
10 opportunity scholarship program to be state-funded for the purpose of  
11 determining the value of an award for other state financial aid  
12 programs.

13 **5. WORKING CONNECTIONS CHILD CARE PROGRAM**

14 NEW SECTION. **Sec. 69.** (1) The legislature recognizes the  
15 following:

16 (a) In Washington, over forty-six thousand community and  
17 technical college students, which represents twenty-three percent of  
18 all community and technical college students in the state, are  
19 parents of dependent children. Student parents represent more than  
20 one-quarter of community and technical college students in Washington  
21 who receive financial aid. Financial assistance however, does not  
22 sufficiently cover many student parents' college expenses.

23 (b) Caregiving demands affect student parents' ability to devote  
24 the time needed to succeed in school. Nearly three-quarters of women  
25 community college students living with dependents report spending  
26 over twenty hours per week caring for dependents. Many of these  
27 students report that care demands are likely to lead them to drop  
28 out: Forty-three percent of women and thirty-seven percent of men at  
29 two-year institutions who live with children say they are likely or  
30 very likely to withdraw from college to care for dependents.

31 (c) In addition, child care costs represent a large financial  
32 burden for parents who are in college. The annual cost of full-time,  
33 center-based infant care averages over thirteen thousand dollars in  
34 Washington. Given the financial pressures experienced by student  
35 parents, both married and single, assistance with paying for quality  
36 child care services could dramatically improve their ability to make  
37 ends meet and complete their higher education programs.

1 (d) Work requirements imposed on student parents as a condition  
2 for receiving child care assistance can have negative consequences  
3 for parents in education or job training. Students working more than  
4 fifteen hours per week achieve significantly lower college attainment  
5 compared with those who work fewer hours. Nationally, fifty-eight  
6 percent of community college student parents who work fifteen or more  
7 hours per week leave school without earning a credential within six  
8 years of enrollment, compared with forty-eight percent who work less  
9 than fifteen hours per week.

10 (2) Therefore, the legislature intends to improve access and  
11 completion rates of student parents enrolled in community and  
12 technical colleges by reducing existing restrictions to subsidized  
13 child care.

14 **Sec. 70.** RCW 43.216.135 and 2019 c ... (Second Substitute House  
15 Bill No. 1303) s 2 are each amended to read as follows:

16 (1) The department shall establish and implement policies in the  
17 working connections child care program to promote stability and  
18 quality of care for children from low-income households. These  
19 policies shall focus on supporting school readiness for young  
20 learners. Policies for the expenditure of funds constituting the  
21 working connections child care program must be consistent with the  
22 outcome measures established by the department and the standards  
23 established in this section intended to promote stability, quality,  
24 and continuity of early care and education programming.

25 (2) As recommended by Public Law 113-186, authorizations for the  
26 working connections child care subsidy shall be effective for twelve  
27 months beginning July 1, 2016, unless an earlier date is provided in  
28 the omnibus appropriations act.

29 (3) Existing child care providers serving nonschool-age children  
30 and receiving state subsidy payments must complete the following  
31 requirements to be eligible for a state subsidy under this section:

32 (a) Enroll in the early achievers program by August 1, 2016;

33 (b) Complete level 2 activities in the early achievers program by  
34 August 1, 2017; and

35 (c) Rate at a level 3 or higher in the early achievers program by  
36 December 31, 2019. If a child care provider rates below a level 3 by  
37 December 31, 2019, the provider must complete remedial activities  
38 with the department, and rate at a level 3 or higher no later than  
39 June 30, 2020.

1 (4) Effective July 1, 2016, a new child care provider serving  
2 nonschool-age children and receiving state subsidy payments must  
3 complete the following activities to be eligible to receive a state  
4 subsidy under this section:

5 (a) Enroll in the early achievers program within thirty days of  
6 receiving the initial state subsidy payment;

7 (b) Complete level 2 activities in the early achievers program  
8 within twelve months of enrollment; and

9 (c) Rate at a level 3 or higher in the early achievers program  
10 within thirty months of enrollment. If a child care provider rates  
11 below a level 3 within thirty months from enrollment into the early  
12 achievers program, the provider must complete remedial activities  
13 with the department, and rate at a level 3 or higher within six  
14 months of beginning remedial activities.

15 (5) If a child care provider does not rate at a level 3 or higher  
16 following the remedial period, the provider is no longer eligible to  
17 receive state subsidy under this section.

18 (6) If a child care provider serving nonschool-age children and  
19 receiving state subsidy payments has successfully completed all level  
20 2 activities and is waiting to be rated by the deadline provided in  
21 this section, the provider may continue to receive a state subsidy  
22 pending the successful completion of the level 3 rating activity.

23 (7) The department shall implement tiered reimbursement for early  
24 achievers program participants in the working connections child care  
25 program rating at level 3, 4, or 5.

26 (8) The department shall account for a child care copayment  
27 collected by the provider from the family for each contracted slot  
28 and establish the copayment fee by rule.

29 (9)(a) The department shall establish and implement policies in  
30 the working connections child care program to allow eligibility for  
31 families with children who:

32 (i) In the last six months have:

33 (A) Received child protective services as defined and used by  
34 chapters 26.44 and 74.13 RCW;

35 (B) Received child welfare services as defined and used by  
36 chapter 74.13 RCW; or

37 (C) Received services through a family assessment response as  
38 defined and used by chapter 26.44 RCW;

39 (ii) Have been referred for child care as part of the family's  
40 case management as defined by RCW 74.13.020; and

1 (iii) Are residing with a biological parent or guardian.

2 (b) Children who are eligible for working connections child care  
3 pursuant to this subsection do not have to keep receiving services  
4 identified in this subsection to maintain twelve-month authorization.  
5 The department of social and health services' involvement with the  
6 family referred for working connections child care ends when the  
7 family's child protective services, child welfare services, or family  
8 assessment response case is closed.

9 (10)(a) Beginning August 1, 2020, the department may not require  
10 an applicant or consumer to meet work requirements as a condition of  
11 receiving working connections child care benefits when the applicant  
12 or consumer is:

13 (i) A single parent;

14 (ii) A full-time student of a community, technical, or tribal  
15 college; and

16 ((~~(iii)~~)) (iii) Pursuing ((a certificate in nursing, early  
17 childhood education, a mental health profession, or paraeducation))  
18 vocational education that leads to a degree or certificate in a  
19 specific occupation, not to result in a bachelor's or advanced  
20 degree.

21 (b) An applicant or consumer is a full-time student for the  
22 purposes of this subsection if he or she meets the college's  
23 definition of a full-time student. The student must ~~((be~~  
24 ~~maintaining))~~ maintain passing grades and be in good standing  
25 pursuant to college attendance requirements.

26 (c) Nothing in this subsection is intended to change how  
27 applicants or consumers are prioritized when applicants or consumers  
28 are placed on a wait list for working connections child care  
29 benefits.

30 NEW SECTION. Sec. 71. A new section is added to chapter 28B.50  
31 RCW to read as follows:

32 Nothing in RCW 43.216.135 requires a community or technical  
33 college to expand any of its existing child care facilities. Any  
34 additional child care services provided by a community or technical  
35 college as a result of RCW 43.216.135 must be provided within  
36 existing resources and existing facilities.

37 **HEALTH PROFESSIONAL LOAN REPAYMENT PROGRAM**



1       **Sec. 72.** RCW 28B.115.070 and 2017 3rd sp.s. c 1 s 958 are each  
2 amended to read as follows:

3       (1) After June 1, 1992, the department, in consultation with the  
4 office and the department of social and health services, shall:

5       (a) Determine eligible credentialed health care professions for  
6 the purposes of the loan repayment and scholarship program authorized  
7 by this chapter. Eligibility shall be based upon an assessment that  
8 determines that there is a shortage or insufficient availability of a  
9 credentialed profession so as to jeopardize patient care and pose a  
10 threat to the public health and safety. The department shall consider  
11 the relative degree of shortages among professions when determining  
12 eligibility. The department may add or remove professions from  
13 eligibility based upon the determination that a profession is no  
14 longer in shortage. Should a profession no longer be eligible,  
15 participants or eligible students who have received scholarships  
16 shall be eligible to continue to receive scholarships or loan  
17 repayments until they are no longer eligible or until their service  
18 obligation has been completed;

19       (b) Determine health professional shortage areas for each of the  
20 eligible credentialed health care professions.

21       (2) ~~((For the 2017-2019 fiscal biennium, consideration for~~  
22 ~~eligibility shall also be given to registered nursing students who~~  
23 ~~have been accepted into an eligible nursing education program and~~  
24 ~~have declared an intention to teach nursing upon completion of the~~  
25 ~~nursing education program.)) For the 2019-2021 fiscal biennium,~~  
26 eligibility for loan repayment shall also be given to chiropractors.

27                                   **VETERAN AND NATIONAL GUARD TUITION WAIVERS**

28       **Sec. 73.** RCW 28B.15.621 and 2018 c 129 s 1 are each amended to  
29 read as follows:

30       (1) The legislature finds that active military and naval  
31 veterans, reserve military and naval veterans, and national guard  
32 members called to active duty have served their country and have  
33 risked their lives to defend the lives of all Americans and the  
34 freedoms that define and distinguish our nation. The legislature  
35 intends to honor active military and naval veterans, reserve military  
36 and naval veterans, and national guard members who have served on  
37 active military or naval duty for the public service they have  
38 provided to this country.

1 (2) Subject to the limitations in RCW 28B.15.910, the governing  
2 boards of the state universities, the regional universities, The  
3 Evergreen State College, and the community and technical colleges,  
4 may waive all or a portion of tuition and fees for an eligible  
5 veteran or national guard member.

6 (3) The governing boards of the state universities, the regional  
7 universities, The Evergreen State College, and the community and  
8 technical colleges, may waive all or a portion of tuition and fees  
9 for a military or naval veteran who is a Washington domiciliary, but  
10 who did not serve on foreign soil or in international waters or in  
11 another location in support of those serving on foreign soil or in  
12 international waters and who does not qualify as an eligible veteran  
13 or national guard member under subsection (8) of this section.  
14 However, there shall be no state general fund support for waivers  
15 granted under this subsection.

16 (4) Subject to the conditions in subsection (5) of this section  
17 and the limitations in RCW 28B.15.910, the governing boards of the  
18 state universities, the regional universities, The Evergreen State  
19 College, and the community and technical colleges, shall waive all  
20 tuition and fees for the following persons:

21 (a) A child and the spouse or the domestic partner or surviving  
22 spouse or surviving domestic partner of an eligible veteran or  
23 national guard member who became totally disabled as a result of  
24 serving in active federal military or naval service, or who is  
25 determined by the federal government to be a prisoner of war or  
26 missing in action; and

27 (b) A child and the surviving spouse or surviving domestic  
28 partner of an eligible veteran or national guard member who lost his  
29 or her life as a result of serving in active federal military or  
30 naval service.

31 (5) The conditions in this subsection (5) apply to waivers under  
32 subsection (4) of this section.

33 (a) A child must be a Washington domiciliary between the age of  
34 seventeen and twenty-six to be eligible for the tuition waiver. A  
35 child's marital status does not affect eligibility.

36 (b) (i) A surviving spouse or surviving domestic partner must be a  
37 Washington domiciliary.

38 (ii) Except as provided in (b) (iii) of this subsection, a  
39 surviving spouse or surviving domestic partner has ten years from the  
40 date of the death, total disability, or federal determination of

1 prisoner of war or missing in action status of the eligible veteran  
2 or national guard member to receive benefits under the waiver. Upon  
3 remarriage or registration in a subsequent domestic partnership, the  
4 surviving spouse or surviving domestic partner is ineligible for the  
5 waiver of all tuition and fees.

6 (iii) If a death results from total disability, the surviving  
7 spouse has ten years from the date of death in which to receive  
8 benefits under the waiver.

9 (c) Each recipient's continued participation is subject to the  
10 school's satisfactory progress policy.

11 (d) Tuition waivers for graduate students are not required for  
12 those who qualify under subsection (4) of this section but are  
13 encouraged.

14 (e) Recipients who receive a waiver under subsection (4) of this  
15 section may attend full-time or part-time. Total credits earned using  
16 the waiver may not exceed two hundred fifty quarter credits, or the  
17 equivalent of semester credits.

18 (f) Subject to amounts appropriated, recipients who receive a  
19 waiver under subsection (4) of this section shall also receive a  
20 stipend for textbooks and course materials in the amount of five  
21 hundred dollars per academic year, to be divided equally among  
22 academic terms and prorated for part-time enrollment.

23 (6) Required waivers of all tuition and fees under subsection (4)  
24 of this section shall not affect permissive waivers of tuition and  
25 fees under subsection (3) of this section.

26 (7) Private vocational schools and private higher education  
27 institutions are encouraged to provide waivers consistent with the  
28 terms in subsections (2) through (5) of this section.

29 (8) The definitions in this subsection apply throughout this  
30 section.

31 (a) "Child" means a biological child, adopted child, or  
32 stepchild.

33 (b) "Eligible veteran or national guard member" means a  
34 Washington domiciliary who was an active or reserve member of the  
35 United States military or naval forces, or a national guard member  
36 called to active duty, who served in active federal service, under  
37 either Title 10 or Title 32 of the United States Code, in a war or  
38 conflict fought on foreign soil or in international waters or in  
39 support of those serving on foreign soil or in international waters,  
40 and if discharged from service, has received an honorable discharge

1 or any other discharge if the sole reason for discharge is due to  
2 gender or sexuality.

3 (c) "Totally disabled" means a person who has been determined to  
4 be one hundred percent disabled by the federal department of veterans  
5 affairs.

6 (d) "Washington domiciliary" means a person whose true, fixed,  
7 and permanent house and place of habitation is the state of  
8 Washington. "Washington domiciliary" includes a person who is  
9 residing in rental housing or residing in base housing. In  
10 ascertaining whether a child or surviving spouse or surviving  
11 domestic partner is domiciled in the state of Washington, public  
12 institutions of higher education shall, to the fullest extent  
13 possible, rely upon the standards provided in RCW 28B.15.013.

14 (9) As used in subsection (4) of this section, "fees" includes  
15 all assessments for costs incurred as a condition to a student's full  
16 participation in coursework and related activities at an institution  
17 of higher education.

18 (10) The governing boards of the state universities, the regional  
19 universities, The Evergreen State College, and the community and  
20 technical colleges shall report to the higher education committees of  
21 the legislature by November 15, 2010, and every two years thereafter,  
22 regarding the status of implementation of the waivers under  
23 subsection (4) of this section. The reports shall include the  
24 following data and information:

- 25 (a) Total number of waivers;
- 26 (b) Total amount of tuition waived;
- 27 (c) Total amount of fees waived;
- 28 (d) Average amount of tuition and fees waived per recipient;
- 29 (e) Recipient demographic data that is disaggregated by distinct  
30 ethnic categories within racial subgroups; and
- 31 (f) Recipient income level, to the extent possible.

## 32 **PART V**

### 33 **WORKFORCE EDUCATION INVESTMENT ASSESSMENT**

34 NEW SECTION. **Sec. 74.** A new section is added to chapter 82.04  
35 RCW to read as follows:

36 The legislature intends to secure additional revenue via  
37 surcharges targeted towards certain industries including select  
38 advanced computing businesses.

1 The legislature intends the provisions of this act to be applied  
2 broadly in favor of application of the surcharges. To achieve this  
3 intent, any provision within this act that is deemed to be ambiguous  
4 by a court of competent jurisdiction, the board of tax appeals, or  
5 any other judicial or administrative body, should be construed in  
6 favor of application of the surcharges. The rule of statutory  
7 construction in favor of the application of the surcharge under this  
8 paragraph does not apply on or after January 1, 2022.

9 (1) (a) Beginning with business activities occurring on or after  
10 January 1, 2020, in addition to the taxes imposed under RCW  
11 82.04.290(2), a workforce education investment surcharge is imposed  
12 on specified persons. The surcharge is equal to the total amount of  
13 tax payable by the person on business activities taxed under RCW  
14 82.04.290(2), before application of any tax credits, multiplied by  
15 the rate of twenty percent.

16 (b) For specified persons who report under one or more tax  
17 classifications, this surcharge applies only to business activities  
18 taxed under RCW 82.04.290(2).

19 (c) The surcharge imposed under this subsection (1) must be  
20 reported and paid in a manner and frequency as required by the  
21 department.

22 (2) For the purposes of this section, "specified person" means a  
23 person who is not subject to the surcharge under subsection (4) of  
24 this section and who is primarily engaged within this state in any  
25 combination of the following activities:

26 (a) Computer software publishing or publishing and reproduction.  
27 Establishments in this industry carry out operations necessary for  
28 producing and distributing computer software, such as designing,  
29 providing documentation, assisting in installation, and providing  
30 support services to software purchasers. These establishments may  
31 design, develop, and publish, or publish only. These establishments  
32 may publish and distribute software remotely through subscriptions  
33 and downloads;

34 (b) Conducting original investigation undertaken on a systematic  
35 basis to gain new knowledge or the application of research findings  
36 or other scientific knowledge for the creation of new or  
37 significantly improved products or processes. Techniques may include  
38 modeling and simulation. The industries within this industry group  
39 are defined on the basis of the domain of research and on scientific  
40 expertise of the establishment;

1 (c) Putting capital at risk in the process of underwriting  
2 securities issues or in making markets for securities and commodities  
3 and those acting as agents or brokers between buyers and sellers of  
4 securities and commodities, usually charging a commission;

5 (d) Providing expertise in the field of information technologies  
6 through one or more of the following activities: (i) Writing,  
7 modifying, testing, and supporting computer software to meet the  
8 needs of a particular customer; (ii) planning and designing computer  
9 systems that integrate computer hardware, computer software, and  
10 communication technologies; (iii) on-site management and operation of  
11 clients' computer systems and data processing facilities; or (iv)  
12 other professional and technical computer-related advice and  
13 services;

14 (e) Performing central banking functions, such as issuing  
15 currency, managing the nation's money supply and international  
16 reserves, holding deposits that represent the reserves of other banks  
17 and other central banks, and acting as a fiscal agent for the central  
18 government;

19 (f) (i) Purchasing access and network capacity from owners and  
20 operators of telecommunications networks and reselling wired and  
21 wireless telecommunications services, except satellite, to businesses  
22 and households; (ii) providing specialized telecommunications  
23 services, such as satellite tracking, communications telemetry, and  
24 radar station operation; (iii) providing satellite terminal stations  
25 and associated facilities connected with one or more terrestrial  
26 systems and capable of transmitting telecommunications to, and  
27 receiving telecommunications from, satellite systems; or (iv)  
28 providing internet access services or voice over internet protocol  
29 services via client-supplied telecommunications connections.  
30 Establishments in this industry do not operate as telecommunications  
31 carriers. Mobile virtual network operators are included in this  
32 industry;

33 (g) (i) Acting as principals in buying or selling financial  
34 contracts, except investment bankers, securities dealers, and  
35 commodity contracts dealers; (ii) acting as agents or brokers, except  
36 securities brokerages and commodity contracts brokerages, in buying  
37 or selling financial contracts; or (iii) providing other investment  
38 services except securities and commodity exchanges, such as portfolio  
39 management, investment advice, and trust, fiduciary, and custody  
40 services;

1 (h) Supplying information, such as news reports, articles,  
2 pictures, and features, to the news media. This industry comprises  
3 establishments primarily engaged in providing library or archive  
4 services. These establishments are engaged in maintaining collections  
5 of documents and facilitating the use of these documents as required  
6 to meet the informational, research, educational, or recreational  
7 needs of their user. These establishments may also acquire, research,  
8 store, preserve, and generally make accessible to the public  
9 historical documents, photographs, maps, audio material, audiovisual  
10 material, and other archival material of historical interest. All or  
11 portions of these collections may be accessible electronically. This  
12 industry comprises establishments engaged in: (i) Publishing and  
13 broadcasting content on the internet exclusively; or (ii) operating  
14 web sites that use a search engine to generate and maintain extensive  
15 databases of internet addresses and content in an easily searchable  
16 format, known as web search portals. The publishing and broadcasting  
17 establishments in this industry do not provide traditional versions  
18 of the content they publish or broadcast. They provide textual,  
19 audio, or video content of general or specific interest on the  
20 internet exclusively. Establishments known as web search portals  
21 often provide additional internet services, such as email,  
22 connections to other web sites, auctions, news, and other limited  
23 content, and serve as a home base for internet users. This industry  
24 comprises establishments primarily engaged in providing other  
25 information services, except news syndicates, libraries, archives,  
26 internet publishing and broadcasting, and web search portals;

27 (i) Architectural, engineering, and related services, such as  
28 drafting services, building inspection services, geophysical  
29 surveying and mapping services, surveying and mapping, except  
30 geophysical services and testing services;

31 (j) Retailing all types of merchandise using nonstore means, such  
32 as catalogs, toll-free telephone numbers, electronic media, such as  
33 interactive television or the internet, or selling directly to  
34 consumers in a nonretail, physical environment. Included in this  
35 industry are establishments primarily engaged in retailing from  
36 catalog showrooms of mail-order houses;

37 (k) Providing advice and assistance to businesses and other  
38 organizations on management, environmental, scientific, and technical  
39 issues;

1 (l) Providing infrastructure for hosting or data processing  
2 services. These establishments may provide specialized hosting  
3 activities, such as web hosting, streaming services, or application  
4 hosting, or they may provide general time-share mainframe facilities  
5 to clients. Data processing establishments provide complete  
6 processing and specialized reports from data supplied by clients or  
7 provide automated data processing and data entry services;

8 (m) Facilitating credit intermediation by performing activities,  
9 such as arranging loans by bringing borrowers and lenders together  
10 and clearing checks and credit card transactions;

11 (n) Offering legal services, such as those offered by offices of  
12 lawyers, offices of notaries, and title abstract and settlement  
13 offices, and paralegal services;

14 (o) Operating or providing access to transmission facilities and  
15 infrastructure that they own or lease for the transmission of voice,  
16 data, text, sound, and video using wired telecommunications networks.  
17 Transmission facilities may be based on a single technology or a  
18 combination of technologies. Establishments in this industry use the  
19 wired telecommunications network facilities that they operate to  
20 provide a variety of services, such as wired telephony services,  
21 including voice over internet protocol services, wired audio and  
22 video programming distribution, and wired broadband internet  
23 services. By exception, establishments providing satellite television  
24 distribution services using facilities and infrastructure that they  
25 operate are included in this industry;

26 (p) Providing telecommunications services to other establishments  
27 in the telecommunications and broadcasting industries by forwarding  
28 and receiving communications signals via a system of satellites or  
29 reselling satellite telecommunications;

30 (q) Operating and maintaining switching and transmission  
31 facilities to provide communications via the airwaves. Establishments  
32 in this industry have spectrum licenses and provide services using  
33 that spectrum, such as cellular phone services, paging services,  
34 wireless internet access, and wireless video services;

35 (r) Extending credit or lending funds raised by credit market  
36 borrowing, such as issuing commercial paper or other debt instruments  
37 or by borrowing from other financial intermediaries;

38 (s) Underwriting annuities and insurance policies and investing  
39 premiums to build up a portfolio of financial assets to be used  
40 against future claims. Direct insurance carriers are establishments



1 that are primarily engaged in initially underwriting and assuming the  
2 risk of annuities and insurance policies. Reinsurance carriers are  
3 establishments that are primarily engaged in assuming all or part of  
4 the risk associated with an existing insurance policy originally  
5 underwritten by another insurance carrier. Industries are defined in  
6 terms of the type of risk being insured against, such as death, loss  
7 of employment because of age or disability, or property damage.  
8 Contributions and premiums are set on the basis of actuarial  
9 calculations of probable payouts based on risk factors from  
10 experience tables and expected investment returns on reserves;

11 (t) Merchant wholesale distribution of photographic equipment and  
12 supplies and office, computer, and computer peripheral equipment and  
13 medical, dental, hospital, ophthalmic, and other commercial and  
14 professional equipment and supplies;

15 (u) Operating studios and facilities for the broadcasting of  
16 programs on a subscription or fee basis. The broadcast programming is  
17 typically narrowcast in nature. These establishments produce  
18 programming in their own facilities or acquire programming from  
19 external sources. The programming material is usually delivered to a  
20 third party, such as cable systems or direct-to-home satellite  
21 systems, for transmission to viewers;

22 (v) Publishing newspapers, magazines, other periodicals, books,  
23 directories and mailing lists, and other works, such as calendars,  
24 greeting cards, and maps. These works are characterized by the  
25 intellectual creativity required in their development and are usually  
26 protected by copyright. Publishers distribute or arrange for the  
27 distribution of these works. Publishing establishments may create the  
28 works in-house, or contract for, purchase, or compile works that were  
29 originally created by others. These works may be published in one or  
30 more formats, such as print or electronic form, including proprietary  
31 electronic networks. Establishments in this industry may print,  
32 reproduce, or offer direct access to the works themselves or may  
33 arrange with others to carry out such functions. Establishments that  
34 both print and publish may fill excess capacity with commercial or  
35 job printing. However, the publishing activity is still considered to  
36 be the primary activity of these establishments;

37 (w) Generating, transmitting, or distributing electric power.  
38 Establishments in this industry group may perform one or more of the  
39 following activities: (i) Operate generation facilities that produce  
40 electric energy; (ii) operate transmission systems that convey the

1 electricity from the generation facility to the distribution system;  
2 or (iii) operate distribution systems that convey electric power  
3 received from the generation facility or the transmission system to  
4 the final consumer;

5 (x) Providing specialized design services including interior  
6 design, industrial design, graphic design, and others, but not  
7 including architectural, engineering, and computer systems design;

8 (y) Assigning rights to assets, such as patents, trademarks,  
9 brand names, or franchise agreements, for which a royalty payment or  
10 licensing fee is paid to the asset holder;

11 (z) Acting as agents in selling annuities and insurance policies  
12 or providing other employee benefits and insurance related services,  
13 such as claims adjustment and third-party administration;

14 (aa) Business-to-business electronic markets that bring together  
15 buyers and sellers of goods using the internet or other electronic  
16 means and generally receive a commission or fee for the service.  
17 Business-to-business electronic markets for durable and nondurable  
18 goods are included in this industry. This industry comprises  
19 wholesale trade agents and brokers acting on behalf of buyers or  
20 sellers in the wholesale distribution of goods. Agents and brokers do  
21 not take title to the goods being sold but rather receive a  
22 commission or fee for their service. Agents and brokers for all  
23 durable and nondurable goods are included in this industry;

24 (bb) Accepting deposits or share deposits and in lending funds  
25 from these deposits. Within this group, industries are defined on the  
26 basis of differences in the types of deposit liabilities assumed and  
27 in the nature of the credit extended;

28 (cc)(i) Manufacturing complete aircraft, missiles, or space  
29 vehicles; (ii) manufacturing aerospace engines, propulsion units,  
30 auxiliary equipment or parts; (iii) developing and making prototypes  
31 of aerospace products; (iv) aircraft conversion; or (v) complete  
32 aircraft or propulsion systems overhaul and rebuilding;

33 (dd) Advertising, public relations, and related services, such as  
34 media buying, independent media representation, outdoor advertising,  
35 direct mail advertising, advertising material distribution services,  
36 and other services related to advertising;

37 (ee) Providing services, such as auditing of accounting records,  
38 designing accounting systems, preparing financial statements,  
39 developing budgets, preparing tax returns, processing payrolls,  
40 bookkeeping, and billing;

1 (ff) The independent practice of general or specialized medicine  
2 or surgery by businesses comprised of one or more health  
3 practitioners having the degree of doctor of medicine or doctor of  
4 osteopathy. These practitioners operate private or group practices in  
5 their own offices or in the facilities of others, such as hospitals  
6 or health maintenance organization medical centers;

7 (gg) Providing a range of outpatient services, such as family  
8 planning, diagnosis and treatment of mental health disorders and  
9 alcohol and other substance abuse, and other general or specialized  
10 outpatient care by businesses with medical staff;

11 (hh) Pooling securities or other assets, except insurance and  
12 employee benefit funds, on behalf of shareholders, unit holders, or  
13 beneficiaries, by legal entities such as investment pools or funds;

14 (ii) Promoting the interests of an organization's members, except  
15 religious organizations, social advocacy organizations, and civic and  
16 social organizations. Examples of establishments in this industry are  
17 business associations, professional organizations, labor unions, and  
18 political organizations;

19 (jj) Holding the securities of or other equity interests in  
20 companies and enterprises for the purpose of owning a controlling  
21 interest or influencing management decisions or businesses that  
22 administer, oversee, and manage other establishments of the company  
23 or enterprise and that normally undertake the strategic or  
24 organizational planning and decision-making role of the company or  
25 enterprise. Establishments that administer, oversee, and manage may  
26 hold the securities of the company or enterprise;

27 (kk) For medical and diagnostic laboratories, providing analytic  
28 or diagnostic services, including body fluid analysis and diagnostic  
29 imaging, generally to the medical profession or to the patient on  
30 referral from a health practitioner;

31 (ll) Serving as offices of chief executives and their advisory  
32 committees and commissions. This industry includes offices of the  
33 president, governors, and mayors, in addition to executive advisory  
34 commissions. This industry comprises government establishments  
35 serving as legislative bodies and their advisory committees and  
36 commissions. Included in this industry are legislative bodies, such  
37 as congress, state legislatures, and advisory and study legislative  
38 commissions. This industry comprises government establishments  
39 primarily engaged in public finance, taxation, and monetary policy.  
40 Included are financial administration activities, such as monetary

1 policy, tax administration and collection, custody and disbursement  
2 of funds, debt and investment administration, auditing activities,  
3 and government employee retirement trust fund administration. This  
4 industry comprises government establishments serving as councils and  
5 boards of commissioners or supervisors and such bodies where the  
6 chief executive is a member of the legislative body itself. This  
7 industry comprises American Indian and Alaska Native governing  
8 bodies. Establishments in this industry perform legislative,  
9 judicial, and administrative functions for their American Indian and  
10 Alaska Native lands. Included in this industry are American Indian  
11 and Alaska Native councils, courts, and law enforcement bodies. This  
12 industry comprises government establishments primarily engaged in  
13 providing general support for government. Such support services  
14 include personnel services, election boards, and other general  
15 government support establishments that are not classified elsewhere  
16 in public administration;

17 (mm) Providing a range of office administrative services, such as  
18 financial planning, billing and recordkeeping, personnel, and  
19 physical distribution and logistics, for others on a contract or fee  
20 basis. These establishments do not provide operating staff to carry  
21 out the complete operations of a business;

22 (nn) Providing professional, scientific, or technical services  
23 including marketing research, public opinion polling, photographic  
24 services, translation and interpretation services, and veterinary  
25 services. This category does not include legal services, accounting,  
26 tax preparation, bookkeeping, architectural, engineering, and related  
27 services, specialized design services, computer systems design,  
28 management, scientific and technical consulting services, scientific  
29 research and development services, or advertising services;

30 (oo) The independent practice of general or specialized dentistry  
31 or dental surgery by businesses comprised of one or more health  
32 practitioners having the degree of doctor of dental medicine, doctor  
33 of dental surgery, or doctor of dental science. These practitioners  
34 operate private or group practices in their own offices or in the  
35 facilities of others, such as hospitals or health maintenance  
36 organization medical centers. They may provide either comprehensive  
37 preventive, cosmetic, or emergency care, or specialize in a single  
38 field of dentistry;

39 (pp) The independent practice of general or specialized medicine  
40 or surgery, or general or specialized dentistry or dental surgery, by

1 businesses comprised of one or more independent health practitioners,  
2 other than physicians and dentists;

3 (qq) Providing ambulatory health care services.

4 (3) (a) (i) For the purposes of this section, a person is primarily  
5 engaged within this state in any combination of the activities  
6 described in subsection (2) of this section if more than fifty  
7 percent of the person's cumulative gross amount reportable under this  
8 chapter during the entire current or immediately preceding calendar  
9 year was generated from engaging in any one or more of the activities  
10 described in subsection (2) of this section. For purposes of this  
11 subsection, "gross amount reportable" means the total value of  
12 products, gross proceeds of sales, and gross income of the business,  
13 reportable to the department before application of any tax  
14 deductions.

15 (ii) If a person was not primarily engaged within this state in  
16 any combination of the activities described in subsection (2) of this  
17 section during the immediately preceding year, and the person is  
18 unsure whether the person will be subject to the workforce investment  
19 surcharge for the current calendar year until the close of the  
20 current calendar year, the person must, if necessary, file corrected  
21 returns with the department of revenue to pay any additional tax due  
22 under this section for the current calendar year. Payment of  
23 additional tax, along with corrected returns, is due and payable when  
24 the person's last return for the calendar year during which the tax  
25 liability accrued is due and payable. Additional tax due under this  
26 section is subject to penalties and interest as provided under  
27 chapter 82.32 RCW only if the tax is not paid in full by the date due  
28 as provided in this subsection (3) (a) (ii).

29 (b) The entire amount of gross income of the business received by  
30 a person pursuant to a contract under which the person is obligated  
31 to perform any activity described under subsection (2) of this  
32 section is deemed to be generated from engaging in any one or more of  
33 the activities described in subsection (2) of this section.

34 (4) (a) Beginning with business activities occurring on or after  
35 January 1, 2020, in addition to the taxes imposed under RCW  
36 82.04.290(2), a workforce education investment surcharge is imposed  
37 on select advanced computing businesses as follows:

38 (i) For an affiliated group that has worldwide gross revenue of  
39 more than twenty-five billion dollars, but not more than one hundred  
40 billion dollars, during the entire current or immediately preceding

1 calendar year, the surcharge is equal to the total amount of tax  
2 payable by each member of the affiliated group on all business  
3 activities taxed under RCW 82.04.290(2), before application of any  
4 tax credits, multiplied by the rate of thirty-three and one-third  
5 percent.

6 (ii) For an affiliated group that has worldwide gross revenue of  
7 more than one hundred billion dollars during the entire current or  
8 immediately preceding calendar year, the surcharge is equal to the  
9 total amount of tax payable by each member of the affiliated group on  
10 all business activities taxed under RCW 82.04.290(2), before  
11 application of any tax credits, multiplied by the rate of sixty-six  
12 and two-thirds percent.

13 (b) In no case will the combined surcharge imposed under this  
14 subsection (4) paid by all members of an affiliated group be less  
15 than four million dollars or more than seven million dollars  
16 annually.

17 (c) For persons subject to the surcharge imposed under this  
18 subsection (4) that report under one or more tax classifications, the  
19 surcharge applies only to business activities taxed under RCW  
20 82.04.290(2).

21 (d) The surcharge imposed under this subsection (4) must be  
22 reported and paid in a manner and frequency as required by the  
23 department.

24 (e) To aid in the effective administration of the surcharge in  
25 this subsection (4), the department may require persons believed to  
26 be engaging in advanced computing or affiliated with a person  
27 believed to be engaging in advanced computing to disclose whether  
28 they are a member of an affiliated group and, if so, to identify all  
29 other members of the affiliated group subject to the surcharge. If  
30 the department determines that a person, with intent to evade the  
31 surcharge under this subsection (4), failed to fully comply with this  
32 subsection (4)(e), the seven million dollar limitation in (b) of this  
33 subsection (4) does not apply to the person's affiliated group.

34 (f) For the purposes of this subsection (4) the following  
35 definitions apply:

36 (i) "Advanced computing" means designing or developing computer  
37 software or computer hardware, whether directly or contracting with  
38 another person, including modifications to computer software or  
39 computer hardware, cloud computing services, or operating an online

1 marketplace, an online search engine, or online social networking  
2 platform;

3 (ii) "Affiliate" and "affiliated" means a person that directly or  
4 indirectly, through one or more intermediaries, controls, is  
5 controlled by, or is under common control with another person;

6 (iii) "Affiliated group" means a group of two or more persons  
7 that are affiliated with each other;

8 (iv) "Cloud computing services" means on-demand delivery of  
9 computing resources, such as networks, servers, storage,  
10 applications, and services, over the internet;

11 (v) "Control" means the possession, directly or indirectly, of  
12 more than fifty percent of the power to direct or cause the direction  
13 of the management and policies of a person, whether through the  
14 ownership of voting shares, by contract, or otherwise; and

15 (vi) "Select advanced computing business" means a person who is a  
16 member of an affiliated group with at least one member of the  
17 affiliated group engaging in the business of advanced computing, and  
18 the affiliated group has worldwide gross revenue of more than twenty-  
19 five billion dollars during the entire current or immediately  
20 preceding calendar year. A person who is primarily engaged within  
21 this state in the provision of commercial mobile service, as that  
22 term is defined in 47 U.S.C Sec. 332(d)(1), shall not be considered a  
23 select advanced computing business. A person who is primarily engaged  
24 in this state in the operation and provision of access to  
25 transmission facilities and infrastructure that the person owns or  
26 leases for the transmission of voice, data, text, sound, and video  
27 using wired telecommunications networks shall not be considered a  
28 select advanced computing business.

29 (5) The workforce education investment surcharges under this  
30 section do not apply to any hospital as defined in RCW 70.41.020,  
31 including any hospital that comes within the scope of chapter 71.12  
32 RCW if the hospital is also licensed under chapter 70.41 RCW.

33 (6) Revenues from the surcharges under this section must be  
34 deposited directly into the workforce education investment account  
35 established in section 2 of this act.

36 (7) The department has the authority to determine through an  
37 audit or other investigation whether a person is subject to the  
38 surcharges imposed in this section. The department's determination  
39 that a person is subject to the surcharge is presumed to be correct  
40 unless the person shows by clear, cogent, and convincing evidence

1 that the department's determination was incorrect. The increased  
2 evidentiary standard under this subsection (7) does not apply after  
3 January 1, 2022.

4 **PART VI**  
5 **MISCELLANEOUS PROVISIONS**

6 NEW SECTION. **Sec. 75.** If any provision of this act or its  
7 application to any person or circumstance is held invalid, the  
8 remainder of the act or the application of the provision to other  
9 persons or circumstances is not affected.

10 NEW SECTION. **Sec. 76.** Sections 53 through 59 of this act  
11 constitute a new chapter in Title 28C RCW.

12 NEW SECTION. **Sec. 77.** Section 74 of this act takes effect  
13 January 1, 2020.

14 NEW SECTION. **Sec. 78.** Section 70 of this act takes effect only  
15 if chapter . . . (Second Substitute House Bill No. 1303), Laws of  
16 2019 is enacted by the effective date of this section.

17 NEW SECTION. **Sec. 79.** The following acts or parts of acts are  
18 each repealed:

19 (1) RCW 28B.92.010 (State need grant program established—Purpose)  
20 and 2014 c 1 s 1, 2004 c 275 s 34, 1999 c 345 s 2, 1993 sp.s. c 18 s  
21 2, & 1969 ex.s. c 222 s 7;

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

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

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

29 (5) RCW 28B.92.080 (Eligibility for state need grant) and 2015 c  
30 121 s 1, 2012 c 229 s 605, 2009 c 238 s 9, 2007 c 404 s 1, 2004 c 275  
31 s 39, 1999 c 345 s 6, 1989 c 254 s 5, & 1969 ex.s. c 222 s 13;

32 (6) RCW 28B.92.082 (Enhanced need grants—Eligibility) and 2012 c  
33 229 s 560 & 2009 c 215 s 3;



- 1 (7) RCW 28B.92.084 (Eligibility of opportunity internship  
2 graduates) and 2011 1st sp.s. c 11 s 163 & 2009 c 238 s 8;  
3 (8) RCW 28B.97.010 (Washington higher education loan program) and  
4 2011 1st sp.s. c 11 s 174 & 2009 c 215 s 13;  
5 (9) RCW 28B.97.020 (Definitions) and 2012 c 229 s 561, 2011 1st  
6 sp.s. c 11 s 175, & 2009 c 215 s 14;  
7 (10) RCW 28B.119.005 (Intent—Finding) and 2002 c 204 s 1;  
8 (11) RCW 28B.119.010 (Program design—Parameters) and 2013 c 39 s  
9 12, 2011 1st sp.s. c 11 s 231, 2004 c 275 s 60, 2003 c 233 s 5, &  
10 2002 c 204 s 2;  
11 (12) RCW 28B.119.020 (Implementation and administration) and 2011  
12 1st sp.s. c 11 s 232 & 2002 c 204 s 3;  
13 (13) RCW 28B.119.030 (Funding for state need grant program not  
14 impaired) and 2011 1st sp.s. c 11 s 233, 2004 c 275 s 71, & 2002 c  
15 204 s 4;  
16 (14) RCW 28B.119.040 (Requirements for students receiving home-  
17 based instruction not affected) and 2002 c 204 s 5;  
18 (15) RCW 28B.119.050 (Washington promise scholarship account) and  
19 2011 1st sp.s. c 11 s 234 & 2002 c 204 s 6; and  
20 (16) RCW 28B.119.900 (Effective date—2002 c 204) and 2002 c 204 s  
21 9.

22 NEW SECTION. **Sec. 80.** This act may be known and cited as the  
23 workforce education investment act.

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