

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2158

Chapter 406, Laws of 2019

66th Legislature
2019 Regular Session

WORKFORCE EDUCATION INVESTMENT

EFFECTIVE DATE: July 28, 2019—Except for section 70, which is contingent; and section 74, which becomes effective January 1, 2020.

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

FRANK CHOPP

Speaker of the House of Representatives

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

CYRUS HABIB

President of the Senate

Approved May 21, 2019 9:35 AM

JAY INSLEE

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.

BERNARD DEAN

Chief Clerk

FILED

May 21, 2019

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2158

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 cochairs shall hold the position for a
10 one-year term. The board members shall elect the cochairs 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 equivalentents 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.

Passed by the House April 28, 2019.
Passed by the Senate April 28, 2019.
Approved by the Governor May 21, 2019.
Filed in Office of Secretary of State May 21, 2019.

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