

2SHB 1587 - S COMM AMD

By Committee on Higher Education & Workforce Development

ADOPTED 04/14/2025

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature recognizes that
4 postsecondary credentials are vital for creating and maintaining a
5 skilled workforce. To increase Washington's skilled workforce, local
6 governments are encouraged to establish their own local government
7 partner promise scholarship programs within the Washington state
8 opportunity scholarship program to further reduce barriers for
9 students within their jurisdiction. Current barriers may include
10 scholarship applications, income limits, and degree program
11 requirements. The purpose of this act is for local governments that
12 establish local government partner promise scholarship programs to
13 have minimal administrative duties, making benefits to students
14 substantial. Therefore, it is the intent of the legislature to
15 encourage additional local government partner promise scholarship
16 programs to serve more students with fewer barriers.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.145
18 RCW to read as follows:

19 (1) A local government partner may establish its own promise
20 scholarship program within the opportunity scholarship program. The
21 local government partner promise scholarship program shall be
22 administered by the Washington state opportunity scholarship program.
23 The program administrator shall assist the local government partner
24 in the selection, notification, and disbursement of scholarship
25 awards.

26 (2) To be eligible to participate in a local government partner
27 promise scholarship program, a student must have received his or her
28 high school diploma or high school equivalency certificate as
29 provided in RCW 28B.50.536 in Washington and attend a public two-year
30 institution of higher education or a professional-technical
31 certificate or degree program as approved by the state board for

1 community and technical colleges under RCW 28B.50.090(7)(c).
2 Eligibility may not extend beyond three years or 125 percent of the
3 published length of the program in which the student is enrolled or
4 the credit or clock-hour equivalent.

5 (3) A local government partner that establishes a promise
6 scholarship program may establish separate rules for its program that
7 are independent from the broader Washington state opportunity
8 scholarship program.

9 (4) The value of the scholarship award under the local government
10 partner promise scholarship program is, at minimum, the difference
11 between the recipient's total tuition fees as defined in RCW
12 28B.15.020 and services and activities fees as defined in RCW
13 28B.15.041, less the value of any state-funded grant including the
14 college bound scholarship program established in chapter 28B.118 RCW
15 and the Washington college grant created in RCW 28B.92.200,
16 scholarship, gift aid, or waiver assistance the recipient receives.
17 The local government partner may provide additional scholarship
18 awards to cover reasonable expenses associated with the costs of
19 acquiring an education such as books, equipment, room and board, and
20 other expenses as determined by the local government partner.

21 (5) The office of student financial assistance and the
22 institutions of higher education may not consider awards made under a
23 local government partner's promise scholarship program to be state-
24 funded for the purpose of determining the value of an award for other
25 state financial aid programs.

26 (6) If a student participating in a local government partner
27 promise scholarship program transfers to an institution not eligible
28 under the local government partner's promise scholarship program
29 rules, the student must reapply to the broader opportunity
30 scholarship program and meet all eligibility requirements. A local
31 government partner may continue to provide funds to the student
32 through its own promise scholarship program if the local government
33 partner's program rules allow continued payment. A student may not
34 receive funds from the broader Washington state opportunity
35 scholarship program and the local government partner promise
36 scholarship program at the same time.

37 (7) A participating student's eligibility must be reconfirmed
38 prior to each disbursement of funds.

39 (8) In consultation with the local government partner, the
40 administrator's duties include:

1 (a) Implementing a selection and notification process for
2 awarding local government scholarship funds;

3 (b) Distributing funds to selected students; and

4 (c) Notifying institutions of higher education of the local
5 government scholarship recipients who will attend their institutions
6 of higher education and informing the institutions of the scholarship
7 fund amounts and terms of the awards.

8 (9) Ten percent of the local government partner funds, excluding
9 state matching funds, may be used for the operational costs listed in
10 subsection (8) of this section. The local government partner may opt
11 to have additional programmatic support from the broader Washington
12 opportunity scholarship program, such as application or marketing
13 support, for an additional agreed-upon fee.

14 (10) In the event that there are not enough funds to serve all
15 eligible applicants, priority must be given to applicants to the
16 broader Washington state opportunity scholarship program over
17 applicants to a government partner promise scholarship program.

18 (11) For each local government partner promise scholarship
19 program, state matching funds shall be limited to \$250,000 per fiscal
20 year.

21 (12) For purposes of this section, "government partner" means
22 municipalities, counties, or federally recognized Indian tribes.

23 (13) To be eligible for a state match in the 2025-27 biennium, a
24 local government partner shall submit a pledge amount to the program
25 administrator referencing the local government partner promise
26 scholarship program by February 1, 2025.

27 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.145
28 RCW to read as follows:

29 (1) All institutions of higher education that participate in the
30 opportunity scholarship program, including a local government partner
31 promise scholarship program pursuant to section 2 of this act, shall
32 provide timely verification of eligibility information to the program
33 administrator.

34 (2) Beginning in 2025, the education research and data center
35 shall provide data on the outcomes of Washington state opportunity
36 scholarship recipients and graduates by November 1st of each year.

37 **Sec. 4.** RCW 28B.145.050 and 2020 c 357 s 912 are each amended to
38 read as follows:

1 (1) The opportunity scholarship match transfer account is created
2 in the custody of the state treasurer as a nonappropriated account to
3 be used solely and exclusively for the opportunity scholarship
4 program created in RCW 28B.145.040 and the local government partner
5 promise programs authorized in section 2 of this act. The purpose of
6 the account is to provide matching funds for the opportunity
7 scholarship program and the local government partner promise
8 programs.

9 (2) Revenues to the account shall consist of appropriations by
10 the legislature into the account and any gifts, grants, or donations
11 received by the executive director of the council for this purpose.

12 (3) No expenditures from the account may be made except upon
13 receipt of proof, by the executive director of the council from the
14 program administrator, of private contributions to the opportunity
15 scholarship program. Expenditures, in the form of matching funds, may
16 not exceed the total amount of private contributions.

17 (4) Only the executive director of the council or the executive
18 director's designee may authorize expenditures from the opportunity
19 scholarship match transfer account. Such authorization must be made
20 as soon as practicable following receipt of proof as required under
21 subsection (3) of this section.

22 (5) The council shall enter into an appropriate agreement with
23 the program administrator to demonstrate exchange of consideration
24 for the matching funds.

25 (6) During the 2019-2021 fiscal biennium, expenditures from the
26 opportunity scholarship match transfer account may be used for
27 payment to the program administrator for administrative duties
28 carried out under this chapter in an amount not to exceed two hundred
29 fifty thousand dollars per fiscal year.

30 **Sec. 5.** RCW 28B.145.070 and 2018 c 254 s 8 are each amended to
31 read as follows:

32 (1) Annually each December 1st, the board, together with the
33 program administrator, shall report to the council, the governor, and
34 the appropriate committees of the legislature regarding the rural
35 jobs program (~~and~~), the opportunity scholarship program, and the
36 opportunity expansion program(~~s~~), including but not limited to:

37 (a) Which education programs the board determined were eligible
38 for purposes of the opportunity scholarship and which high employer

1 demand fields within eligible counties were identified for purposes
2 of the rural jobs program;

3 (b) The number of applicants for the opportunity scholarship and
4 rural jobs program, disaggregated, to the extent possible, by race,
5 ethnicity, gender, county of origin, age, and median family income;

6 (c) The number of participants in the opportunity scholarship
7 program and rural jobs program, disaggregated, to the extent
8 possible, by race, ethnicity, gender, county of origin, age, and
9 median family income;

10 (d) The number and amount of the scholarships actually awarded,
11 whether the scholarships were paid from the student support pathways
12 account, the scholarship account, or the endowment account, and the
13 number and amount of scholarships actually awarded under the rural
14 jobs program;

15 (e) The institutions and eligible education programs in which
16 opportunity scholarship participants enrolled, together with data
17 regarding participants' completion and graduation, and the
18 institutions and programs in which recipients of the rural jobs
19 program scholarship enrolled, together with recipients' data on
20 completion and graduation;

21 (f) The total amount of private contributions and state match
22 moneys received for the rural jobs program and the opportunity
23 scholarship program, how the funds under the opportunity scholarship
24 program were distributed between the student support pathways
25 account, the scholarship account, and the endowment account, the
26 interest or other earnings on all the accounts created under this
27 chapter, and the amount of any administrative fee paid to the program
28 administrator; (~~and~~)

29 (g) Identification of the programs the board selected to receive
30 opportunity expansion awards and the amount of such awards; and

31 (h) For local government partners as defined in section 2 of this
32 act:

33 (i) The total amount of private contributions and state match
34 moneys received; and

35 (ii) The total number of students served by each local government
36 partner.

37 (2) In the next succeeding legislative session following receipt
38 of a report required under subsection (1) of this section, the
39 appropriate committees of the legislature shall review the report and
40 consider whether any legislative action is necessary with respect to

1 the rural jobs program, the opportunity scholarship program, or the
2 opportunity expansion program, including but not limited to
3 consideration of whether any legislative action is necessary with
4 respect to the nature and level of focus on high employer demand
5 fields and the number and amount of scholarships."

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6 On page 1, line 3 of the title, after "program;" strike the
7 remainder of the title and insert "amending RCW 28B.145.050 and
8 28B.145.070; adding new sections to chapter 28B.145 RCW; and creating
9 a new section."

EFFECT: Establishes that the institution of public institution participating in the local government promise program administered by the opportunity scholarship program must be approved by the state board for community and technical colleges, rather than be defined by the local government partner.

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