

RCW 28B.96.020 Undocumented student support loan program. (1)

The undocumented student support loan program is established.

(2) The program shall be designed by the office, in consultation with financial aid professionals at institutions of higher education, state and nonprofit programs that work with eligible students, and relevant student associations and stakeholders in the development of the program.

(3) The program shall be administered by the office. In administering the program, the office has the following powers and duties:

(a) Screen and select, in coordination with representatives of institutions of higher education, eligible students to receive an undocumented student support loan;

(b) Consider an eligible student's financial inability to meet the total cost of the participant's educational program in the selection process;

(c) Issue low-interest student loans that are competitive with federal student loan programs;

(d) Establish annual and lifetime loan limits equal to the cost of attendance minus any other financial aid received as provided in subsection (6) of this section;

(e) Define the terms of repayment, including applicable interest rates, fees, and deferments;

(f) Collect and manage repayments from students who do not meet their obligations under this chapter;

(g) Consider income-based repayment options;

(h) Solicit and accept grants and donations from public and private sources for the program; and

(i) Adopt rules necessary to implement the program.

(4) The undocumented student support loan does not accrue interest while a participant is enrolled in an institution of higher education.

(5) The office may impose a loan origination fee up to, but not to exceed, the current rate imposed by the federal government on subsidized student loans.

(6) The maximum annual loan amount granted per student for the undocumented student support loan program is:

(a) (i) The cost of tuition and required fees at the public institution of higher education the student is attending; or

(ii) If the student is attending a private institution of higher education, the tuition and required fees at an equivalent public institution; and

(b) Less the value of any state-funded grant, scholarship, or waiver assistance the student receives, plus five hundred dollars for books and materials.

(7) Student loans issued under the program shall follow the requirements under 11 U.S.C. Sec. 523 regarding dischargeability in bankruptcy.

(8) Data collected by the program is private and confidential and must only be used for statistical analysis, research, and evaluation purposes. Data sharing by the office may be extended to include the office of financial management and other state governmental entities with oversight responsibility for the program, as long as personally identifiable student information is removed.

(9) The office shall provide information to the appropriate fiscal and relevant policy committees of the legislature by December 1, 2023, and every two years thereafter that includes the following:

- (a) Dollar amount and number of private donations received;
- (b) Number of applications received;
- (c) Number of student loans provided to eligible students per year;
- (d) Average student loan amount provided per participant;
- (e) Level of degree program participants are pursuing;
- (f) Number of student loans in active repayment, deferment, and default status; and
- (g) Any other information the office deems relevant. [2020 c 326 § 3.]