

1 2605-S2.E AMC CONF S5937.1

2 **E2SHB 2605** - CONF REPT TO HIE COMM AMD (S5608.1)
3 By Conference Committee

4 ADOPTED 3/9/94

5 Beginning on page 2, line 4 of the amendment, strike all of
6 sections 3 and 4

7 Renumber the remaining sections consecutively and correct any
8 internal references accordingly.

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12 On page 7, after line 22 of the amendment, insert the following:

13 "NEW SECTION. **Sec. 7.** Unless the context clearly requires
14 otherwise, the definitions in this section apply throughout this
15 section and sections 8 and 9 of this act.

16 (1) "Eligible student" means an enlisted member or an officer of
17 the rank of captain or below in the Washington national guard who is a
18 resident student as defined in RCW 28B.15.012 and 28B.15.013, who
19 attends an institution of higher education that is located in this
20 state and accredited by the Northwest Association of Schools and
21 Colleges, and who meets any additional selection criteria adopted by
22 the office.

23 (2) "Conditional scholarship" means a loan that is forgiven in
24 whole or in part if the recipient renders service as a member of the
25 Washington national guard under rules adopted by the office.

26 (3) "Forgiven" or "to forgive" or "forgiveness" means either to
27 render service in the Washington national guard in lieu of monetary
28 repayment, or to be relieved of the service obligation under rules
29 adopted by the office.

30 (4) "Office" means the office of the adjutant general of the state
31 military department.

32 (5) "Participant" means an eligible student who has received a
33 conditional scholarship under this chapter.

1 (6) "Service obligation" means serving in the Washington national
2 guard for one additional year for each year of conditional scholarship
3 received under this program.

4 NEW SECTION. **Sec. 8.** The Washington state national guard
5 conditional scholarship program is established. The program shall be
6 administered by the office. In administering the program, the powers
7 and duties of the office shall include, but need not be limited to:

8 (1) The selection of eligible students to receive conditional
9 scholarships;

10 (2) The award of conditional scholarships funded by federal and
11 state funds, private donations, or repayments from any participant who
12 does not complete the participant's service obligation. Use of state
13 funds is subject to available funds. The annual amount of each
14 conditional scholarship may vary, but shall not exceed the annual cost
15 of undergraduate tuition fees and services and activities fees at the
16 University of Washington, plus an allowance for books and supplies;

17 (3) The adoption of necessary rules and guidelines;

18 (4) The adoption of participant selection criteria. The criteria
19 may include but need not be limited to requirements for: Satisfactory
20 progress, minimum grade point averages, enrollment in courses or
21 programs that lead to a baccalaureate degree or an associate degree or
22 a certificate, and satisfactory participation as a member of the
23 Washington national guard;

24 (5) The notification of participants of their additional service
25 obligation or required repayment of the conditional scholarship; and

26 (6) The collection of repayments from participants who do not meet
27 the eligibility criteria or service obligations.

28 NEW SECTION. **Sec. 9.** (1) Participants in the conditional
29 scholarship program incur an obligation to repay the conditional
30 scholarship, with interest, unless they serve in the Washington
31 national guard for one additional year for each year of conditional
32 scholarship received, under rules adopted by the office.

33 (2) The entire principal and interest of each yearly repayment
34 shall be forgiven for each additional year in which a participant
35 serves in the Washington national guard, under rules adopted by the
36 office.

1 (3) If a participant elects to repay the conditional scholarship,
2 the period of repayment shall be four years, with payments accruing
3 quarterly commencing nine months from the date that the participant
4 leaves the Washington national guard or withdraws from the institution
5 of higher education, whichever comes first. The interest rate on the
6 repayments shall be eight percent per year. Provisions for deferral
7 and forgiveness shall be determined by the office.

8 (4) The office is responsible for collection of repayments made
9 under this section. The office shall exercise due diligence in such
10 collection, maintaining all necessary records to ensure that maximum
11 repayments are made. Collection and servicing of repayments under this
12 section shall be pursued using the full extent of law, including wage
13 garnishment if necessary. The office is responsible to forgive all or
14 parts of such repayments under the criteria established in this
15 section, and shall maintain all necessary records of forgiven payments.
16 The office may contract with the higher education coordinating board
17 for collection of repayments under this section.

18 (5) Receipts from the payment of principal or interest paid by or
19 on behalf of participants shall be deposited with the office and shall
20 be used to cover the costs of granting the conditional scholarships,
21 maintaining necessary records, and making collections under subsection
22 (4) of this section. The office shall maintain accurate records of
23 these costs, and all receipts beyond those necessary to pay such costs
24 shall be used to grant conditional scholarships to eligible students.

25 NEW SECTION. **Sec. 10.** Sections 7 through 9 of this act shall
26 constitute a new chapter in Title 28B RCW."

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30 On page 7, at the beginning of line 28 of the title amendment,
31 strike "28B.15.012,"

32 On page 7, line 29 of the title amendment, after "(uncodified);"
33 strike everything through "28B.15 RCW." and insert "and adding a new
34 chapter to Title 28B RCW."

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