
HOUSE BILL 2528

State of Washington 53rd Legislature 1994 Regular Session

By Representatives Jacobsen, Bray and Sheldon

Read first time 01/17/94. Referred to Committee on Higher Education.

1 AN ACT Relating to higher education; amending RCW 43.135.055;
2 adding a new section to chapter 28B.10 RCW; adding a new chapter to
3 Title 28B RCW; and repealing RCW 28B.15.065.

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

5 **Sec. 1.** RCW 43.135.055 and 1994 c 2 s 8 (Initiative Measure No.
6 601) are each amended to read as follows:

7 (1) Except as authorized in subsection (2) of this section, no fee
8 may increase in any fiscal year by a percentage in excess of the fiscal
9 growth factor for that fiscal year without prior legislative approval.

10 (2) Any fee charged by institutions of higher education as defined
11 in RCW 28B.10.016 is exempt from the requirements of subsection (1) of
12 this section.

13 NEW SECTION. **Sec. 2.** It is the intent of the legislature to
14 restructure and fully fund the state's system of financial aid. The
15 restructured financial aid system shall be known as college promise.

16 NEW SECTION. **Sec. 3.** (1) The higher education coordinating board
17 shall restructure the state's financial aid programs into a

1 comprehensive and coordinated system of assistance known as college
2 promise. College promise shall expand and modify three existing
3 programs for needy students: The state need grant program under RCW
4 28B.10.790 through 28B.10.824; the state work-study program under
5 chapter 28B.12 RCW; and the educational opportunity grant program under
6 chapter 28B.101 RCW. In addition, college promise may include a
7 demonstration project to assist needy students whose parents did not
8 complete a degree or certificate from an institution of higher
9 education. College promise shall be implemented beginning in the 1995-
10 96 academic year.

11 (2) By January 1, 1995, the higher education coordinating board, in
12 consultation with the house of representatives and senate higher
13 education and fiscal committees, and the institutions of higher
14 education, shall develop a detailed implementation plan for college
15 promise. In preparing the plan, the board shall follow the goals and
16 priorities set forth in sections 4 and 5 of this act. The plan shall
17 include, but not be limited to:

18 (a) Specific program eligibility measures and application
19 procedures for the new populations of state financial aid recipients
20 identified in section 4 of this act;

21 (b) Specific need analysis criteria and asset protection
22 allowances;

23 (c) Estimates of how many state residents, both those who are
24 currently enrolled in a college or university, and those not currently
25 enrolled, would be eligible and would apply for aid under the expanded
26 eligibility criteria identified in section 4 of this act. The
27 estimates, developed in consultation with the office of financial
28 management, the office of the superintendent of public instruction, and
29 other agencies as appropriate, shall take into account state economic
30 and demographic factors and other appropriate information;

31 (d) Estimates of where the new aid applicants identified under (c)
32 of this subsection would choose to enroll by type of institution and
33 level of program; and

34 (e) Estimates of the costs for each state financial aid program,
35 including the state need grant program under RCW 28B.10.790 through
36 28B.10.824; the state work-study program under chapter 28B.12 RCW; and
37 the educational opportunity grant program under chapter 28B.101 RCW to
38 accommodate any new aid applicants estimated under (c) of this
39 subsection, as offset by nonstate sources of aid. Separate cost

1 estimates shall be made for each of the new aid populations identified
2 under section 4 of this act.

3 (3) It is the intent of the legislature that the cost estimates
4 completed under subsection (2) of this section shall be the basis for
5 determining funding levels for state financial aid programs for each
6 year of the 1995-1997 biennium.

7 (4) The methodologies used to estimate costs under subsection (2)
8 of this section shall be used for the annual cost estimates required
9 under section 6 of this act.

10 (5) The plan completed under subsection (2) of this section shall
11 be deemed approved on June 30, 1995, unless legislation is enacted to
12 alter the policies set forth in the plan. The board shall also propose
13 to the legislature any changes to the laws governing state financial
14 aid programs that it deems necessary to accomplish the purposes of
15 college promise.

16 NEW SECTION. **Sec. 4.** In restructuring the state's financial aid
17 programs, the higher education coordinating board shall follow these
18 goals:

19 (1) For all need-based financial aid programs under RCW 28B.10.790
20 through 28B.10.824 and chapters 28B.12 and 28B.101 RCW:

21 (a) Through a mix of federal, state, and other resources:

22 (i) Limit the debt of an undergraduate student to no more than one-
23 half of a student's cost of attendance; and

24 (ii) Provide more self-help opportunities than grant aid to middle-
25 income students, and approximately equal amounts of self-help
26 opportunities and grant aid to low-income and lower middle-income
27 students. Self-help opportunities include work-study and loans;

28 (b) In determining eligibility for state financial aid programs,
29 shelter home equity on a family's principal place of residence, and
30 shelter a reasonable portion of savings and farm or business net worth,
31 each insofar as is permissible under state and federal law;

32 (c) Consistent with federal law, simplify the financial aid
33 application process;

34 (d) Strive to preserve a range of educational options for needy
35 students, including choice of institutions and programs;

36 (e) Recognize otherwise unfunded equipment and assistance needed to
37 reasonably accommodate students with disabilities; and

1 (f) Deliver clear and timely information to current and future
2 postsecondary students about the costs of attending college and
3 available financial aid.

4 (2) For the state need grant program under RCW 28B.10.790 through
5 28B.10.824: As funds are available, expand the program to include new
6 populations of resident students in the following priority order,
7 ensuring that undergraduate students with the most demonstrated
8 financial need receive full grants before less needy students receive
9 any grant:

10 (a) Low-income undergraduates;

11 (b) Lower middle-income undergraduates;

12 (c) Middle-income undergraduates; and

13 (d) Resident graduate and professional students, following the
14 income priorities established for undergraduate students.

15 (3) For the state work-study program under chapter 28B.12 RCW:
16 Increase employment opportunities including off-campus job
17 opportunities with off-campus community service employers.

18 (4) For students whose parents did not complete a higher education
19 degree or certificate: Determine the feasibility of providing grants
20 to needy first generation scholars.

21 NEW SECTION. **Sec. 5.** In implementing the goals for expanding
22 financial aid to needy undergraduate students, the board shall be
23 guided by the following matrix. The matrix defines income levels, and
24 for each level, the funding priority, and the assistance mix goal.
25 Income levels shall be adjusted annually for family size and changes in
26 the state's median income. It is the intent of the legislature these
27 goals not impair the ability of financial aid officers to adjust aid
28 packages to meet the needs of students. However, it is the further
29 intent of the legislature that financial aid officers, insofar as
30 possible attempt to implement these goals.

31 Goals for Funding Needy Undergraduate Students

32 Classification:	Low-income	Lower middle-income	Middle-income
33 Family			
34 Income:	0-\$20,864	\$20,865-\$31,296	\$31,297-\$52,160
35 (1991 dollars,			
36 family of four)			
37 Percentage	Fifty percent	Fifty-one to	Seventy-six
38 of State		seventy-five	to one hundred
39 Median		percent	twenty-five
40 Income:			percent

1	Priority for			
2	Receiving			
3	Grants:	First	Second	Third
4	Assistance	One-half	One-half	Up to one-third
5	Mix goal:	grants	grants	grants
6		One-half	One-half	Two-thirds or more
7		work study	work study	work study
8		and loans	and loans	and loans

9 NEW SECTION. **Sec. 6.** By September 1st of each even-numbered year,
10 the higher education coordinating board shall adopt an estimate of the
11 amount of funding, annualized for each fiscal year, that will be needed
12 during the ensuing biennium to fully fund each of the state's student
13 financial aid programs including but not limited to: RCW 28B.10.210
14 through 28B.10.220, 28B.10.790 through 28B.10.824, chapters 28B.12,
15 28B.101, and 28B.102 RCW, and, if funded, the first generation scholars
16 demonstration project. The board shall report its findings to the
17 governor, and the house of representatives and senate fiscal and higher
18 education committees.

19 NEW SECTION. **Sec. 7.** A new section is added to chapter 28B.10 RCW
20 to read as follows:

21 In administering the state student financial aid program, also
22 known as the state need grant program, under RCW 28B.10.790 through
23 28B.10.824, the higher education coordinating board shall proceed
24 substantially as follows unless it determines that a modification is
25 required in order to conform with federal law or to improve the
26 administration of the program, consistent with the purposes of this
27 chapter. The higher education coordinating board shall:

28 (1) Define and assist additional populations of needy students as
29 funding becomes available, in the priorities described in section 4 of
30 this act, and using income level classification definitions as
31 described in section 5 of this act;

32 (2) In calculating eligibility for aid, where not otherwise
33 inconsistent with federal or state law, shelter home equity on a
34 family's principal place of residence and shelter a reasonable amount
35 of savings and a reasonable portion of farm or business net worth, in
36 order to equitably evaluate family ability to pay; and

37 (3) To the extent feasible, adjust the student budget of a needy
38 student with disabilities to reflect otherwise unfunded equipment or

1 assistance needed to reasonably accommodate the student in a
2 postsecondary education or training program.

3 NEW SECTION. **Sec. 8.** (1) With the exception of institutions of
4 higher education as defined in RCW 28B.10.016, any institution of
5 postsecondary education that enrolls students receiving state-funded
6 financial aid shall:

7 (a) For Washington residents, match the total amount of the state
8 financial aid grant funds received by all enrolled students at that
9 institution from the state need grant and equal opportunity grant
10 programs, with an equal amount of institutionally raised grant funds
11 from nongovernmental sources; and

12 (b) Enter into new or honor existing transfer agreements with
13 institutions of higher education as defined in RCW 28B.10.016.

14 (2) The higher education coordinating board shall adopt rules to
15 implement these requirements. The rules shall ensure that all
16 institutional matching grant funds go to students who are needy as
17 defined in RCW 28B.10.802(3) and who are residents of the state of
18 Washington. As used in this subsection, "residents of the state of
19 Washington" means that the students would be eligible to pay resident
20 tuition rates under RCW 28B.15.011 through 28B.15.013 if they were
21 enrolled at a state institution of higher education as defined in RCW
22 28B.10.016.

23 NEW SECTION. **Sec. 9.** The higher education coordinating board may
24 design a demonstration project to assist needy first generation college
25 students to obtain either a community or technical college degree or
26 certificate, or a baccalaureate degree. Through the project, a needy
27 student, as defined in RCW 28B.10.802(3), who attends a Washington
28 institution of higher education that is accredited by an accrediting
29 association recognized by the board by rule, and whose parents did not
30 complete a degree or certificate from an institution of higher
31 education, may receive a grant of up to fifteen hundred dollars per
32 year, not to exceed the student's documented need. The grant may be
33 renewable each year, if the student makes satisfactory academic
34 progress. Grants awarded to any one student shall not exceed a
35 cumulative total of nine thousand dollars for an individual pursuing a
36 baccalaureate degree or five thousand dollars for a student pursuing a
37 community or technical college degree or certificate. Before seeking

1 funding for the program, the board shall submit to the governor and the
2 legislature a plan for implementing the project. The plan shall
3 include a provision for verification of student eligibility to
4 participate in the demonstration project.

5 NEW SECTION. **Sec. 10.** RCW 28B.15.065 and 1977 ex.s. c 322 s 6 are
6 each repealed.

7 NEW SECTION. **Sec. 11.** Sections 2 through 6, 8, and 9 of this act
8 shall constitute a new chapter in Title 28B RCW.

9 NEW SECTION. **Sec. 12.** If any provision of this act or its
10 application to any person or circumstance is held invalid, the
11 remainder of the act or the application of the provision to other
12 persons or circumstances is not affected.

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