
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: H-4957.1/00

ATTY/TYPIST: SCG:ads

BRIEF DESCRIPTION:

2 **E3SSB 5598** - H COMM AMD
3 By Committee on Higher Education

4

5 Strike everything after the enacting clause and insert the
6 following:

7 NEW SECTION. **Sec. 1.** The legislature intends to strengthen the
8 link between postsecondary education and K-12 education by creating the
9 Washington's promise scholarship program for academically successful
10 high school graduates from low and middle-income families. The
11 legislature finds that, increasingly, an individual's economic
12 viability is contingent on postsecondary educational opportunities, yet
13 the state's full financial obligation is eliminated after the twelfth
14 grade. Students who work hard in kindergarten through twelfth grade
15 and successfully complete high school with high academic marks may not
16 have the financial ability to attend college because they cannot obtain
17 financial aid or the financial aid is insufficient.

18 NEW SECTION. **Sec. 2.** The higher education coordinating board
19 shall design the Washington's promise scholarship program based on the
20 following parameters:

21 (1) Scholarships shall be awarded to students who graduate from
22 high school or its equivalent and who meet both academic and financial
23 eligibility criteria.

24 (a) Before the K-12 certificate of mastery is required, academic
25 eligibility criteria shall be as follows:

26 (i) Students graduating from public and approved private high
27 schools under chapter 28A.195 RCW in 2001 and 2002 must be in the top
28 fifteen percent of their graduating class;

29 (ii) Beginning with the graduating class of 2003, students
30 graduating from public and approved private high schools under chapter
31 28A.195 RCW must pass all components of the Washington assessment of
32 student learning on their first attempt when they take it in the tenth
33 grade or be in the top fifteen percent of their graduating class; and

34 (iii) Students participating in home-based instruction as provided
35 in chapter 28A.200 RCW must pass all components of the Washington

1 assessment of student learning on their first attempt when they take it
2 in the tenth grade and the cost of taking the Washington assessment of
3 student learning shall be ancillary services borne by the school
4 districts in which the students reside.

5 (b) For students attending private schools approved under chapter
6 28A.195 RCW, the cost of the Washington assessment of student learning
7 shall be ancillary services borne by the school districts in which the
8 students reside. If a significant number of students who attend the
9 same school wish to take the Washington assessment of student learning,
10 a contractor may provide the assessments at the private school and may
11 have the private school administer the assessments. If the assessments
12 are provided at the private school, the superintendent of public
13 instruction shall pay the assessment contractor the cost of the test
14 itself, including processing the test to determine the results, for
15 each student taking the assessment under (a) of this subsection. The
16 superintendent shall not pay for any costs the private school may incur
17 in administering the assessments at the private school, such as staff
18 or administrative costs.

19 (c) After the K-12 certificate of mastery is required, students
20 graduating from public and approved private high schools under chapter
21 28A.195 RCW, and participants in home-based instruction as provided in
22 chapter 28A.200 RCW are academically eligible if they pass all parts of
23 the certificate of mastery on their first attempt in the tenth grade.

24 (d) To meet the financial eligibility criteria, a student's family
25 income shall not exceed one hundred thirty-five percent of the state
26 median family income adjusted for family size as determined at the time
27 of academic eligibility as determined in (a) or (b) of this subsection,
28 except as otherwise determined in subsection (2) of this section.

29 (2) Promise scholarships are not intended to supplant any
30 scholarship or tax program related to postsecondary education. If the
31 board finds that promise scholarships supplant or reduce any grant,
32 scholarship, or tax program for categories of students, then the board
33 shall adjust the financial eligibility criteria or the amount of
34 scholarship to the level necessary to avoid supplanting.

35 (3) The amount of promise scholarships shall not exceed the
36 equivalent of two years' worth of tuition at the resident, full-time,
37 community college tuition rate. Awards for the second year of the
38 scholarship shall be made only to students who successfully complete
39 their first year of postsecondary education. In determining the amount

1 of scholarships, the board shall give the highest priority to awarding
2 scholarships to the maximum number of potential eligible recipients.

3 (4) By October 15th of each year, beginning in 2001, the board
4 shall determine the amount of the scholarships, after taking into
5 consideration the availability of funds.

6 (5) The scholarships may only be used for undergraduate coursework
7 at accredited institutions of higher education in the state of
8 Washington.

9 (6) The scholarships must be used within six years of being
10 awarded.

11 (7) The scholarships may be used for college-related expenses,
12 including but not limited to, tuition, room and board, books, and
13 materials.

14 (8) The scholarships may not be awarded to any student who is
15 pursuing a degree in theology.

16 NEW SECTION. **Sec. 3.** (1) The higher education coordinating board,
17 with the assistance of the institutions of higher education and the
18 office of the superintendent of public instruction, shall evaluate the
19 impact and the effectiveness of the Washington's promise scholarship
20 program. The evaluation shall include, but not be limited to: (a) An
21 analysis of what other financial assistance promise scholarship
22 recipients are receiving through other federal, state, and
23 institutional programs, including grants, work study, tuition waivers,
24 tax credits, and loan programs; (b) an analysis of whether the
25 implementation of the promise scholarship has had an impact on student
26 indebtedness; (c) an evaluation of what types of students are
27 successfully completing high school but do not have the financial
28 ability to attend college because they cannot obtain financial aid or
29 the financial aid is insufficient; and (d) an analysis of the costs of
30 administering the Washington assessment of student learning to students
31 receiving home-based instruction or attending private high schools
32 approved under chapter 28A.195 RCW. By November 1, 2001, the board
33 shall report its findings and make recommendations to the governor and
34 the legislature.

35 (2) This section expires December 31, 2001.

36 NEW SECTION. **Sec. 4.** The higher education coordinating board,
37 with the assistance of the office of the superintendent of public

1 instruction, shall implement and administer the Washington's promise
2 scholarship program described in section 2 of this act as follows:

3 (1) The first scholarships shall be awarded to eligible students
4 enrolling in postsecondary education in academic year 2001-02.

5 (2) The office of the superintendent of public instruction shall
6 provide the information to the higher education coordinating board that
7 is necessary for implementation of the program.

8 (a) For students graduating from high school in the top fifteen
9 percent of their class, the office of the superintendent of public
10 instruction shall provide the higher education coordinating board with
11 student names, addresses, birth dates, and unique numeric identifiers
12 as determined by each respective high school at the completion of the
13 first term of the senior year including the names, addresses, and birth
14 dates of other eligible students who have met the requirements
15 described in section 2 of this act.

16 (b) Beginning with the 2000-01 school year, the office of the
17 superintendent of public instruction shall provide the names,
18 addresses, birth dates, and unique numeric identifiers of tenth grade
19 students who pass all components of the Washington assessment of
20 student learning on their first attempt including the names, addresses,
21 and birth dates of other eligible students who have met the
22 requirements described in section 2 of this act to the higher education
23 coordinating board to assist the higher education coordinating board in
24 awarding scholarships. This shall be done by October 1st of each year
25 following the receipt of assessment scores.

26 (c) All student data should be considered confidential and used
27 solely for the purposes of providing scholarships to eligible students.

28 (3) The higher education coordinating board may adopt rules to
29 implement this chapter.

30 NEW SECTION. **Sec. 5.** The Washington's promise scholarship program
31 shall not be funded at the expense of the state need grant program as
32 defined in RCW 28B.10.800 through 28B.10.824. In administering the
33 state need grant and promise scholarship programs, the higher education
34 coordinating board shall first ensure that eligibility for state need
35 grant recipients is at least sixty-five percent of state median family
36 income.

1 NEW SECTION. **Sec. 6.** (1) The Washington's promise scholarship
2 account is created in the custody of the state treasurer. The account
3 shall be a nontreasury account retaining its interest earnings in
4 accordance with RCW 43.79A.040.

5 (2) The higher education coordinating board shall deposit in the
6 account all money received for the program. The account shall be self-
7 sustaining and consist of funds appropriated by the legislature for the
8 Washington's promise scholarship program, private contributions to the
9 program, and refunds of Washington's promise scholarships.

10 (3) Expenditures from the account shall be used for scholarships to
11 eligible students.

12 (4) With the exception of the operating costs associated with the
13 management of the account by the treasurer's office as authorized in
14 chapter 43.79A RCW, the account shall be credited with all investment
15 income earned by the account.

16 (5) Disbursements from the account are exempt from appropriations
17 and the allotment provisions of chapter 43.88 RCW.

18 (6) Disbursements from the account shall be made only on the
19 authorization of the higher education coordinating board.

20 **Sec. 7.** RCW 43.79A.040 and 1999 c 384 s 8 and 1999 c 182 s 2 are
21 each reenacted and amended to read as follows:

22 (1) Money in the treasurer's trust fund may be deposited, invested,
23 and reinvested by the state treasurer in accordance with RCW 43.84.080
24 in the same manner and to the same extent as if the money were in the
25 state treasury.

26 (2) All income received from investment of the treasurer's trust
27 fund shall be set aside in an account in the treasury trust fund to be
28 known as the investment income account.

29 (3) The investment income account may be utilized for the payment
30 of purchased banking services on behalf of treasurer's trust funds
31 including, but not limited to, depository, safekeeping, and
32 disbursement functions for the state treasurer or affected state
33 agencies. The investment income account is subject in all respects to
34 chapter 43.88 RCW, but no appropriation is required for payments to
35 financial institutions. Payments shall occur prior to distribution of
36 earnings set forth in subsection (4) of this section.

1 (4)(a) Monthly, the state treasurer shall distribute the earnings
2 credited to the investment income account to the state general fund
3 except under (b) and (c) of this subsection.

4 (b) The following accounts and funds shall receive their
5 proportionate share of earnings based upon each account's or fund's
6 average daily balance for the period: The Washington's promise
7 scholarship account, the Washington advanced college tuition payment
8 program account, the agricultural local fund, the American Indian
9 scholarship endowment fund, the Washington international exchange
10 scholarship endowment fund, the developmental disabilities endowment
11 trust fund, the energy account, the fair fund, the game farm
12 alternative account, the grain inspection revolving fund, the juvenile
13 accountability incentive account, the rural rehabilitation account, the
14 stadium and exhibition center account, the youth athletic facility
15 grant account, the self-insurance revolving fund, the sulfur dioxide
16 abatement account, and the children's trust fund. However, the
17 earnings to be distributed shall first be reduced by the allocation to
18 the state treasurer's service fund pursuant to RCW 43.08.190.

19 (c) The following accounts and funds shall receive eighty percent
20 of their proportionate share of earnings based upon each account's or
21 fund's average daily balance for the period: The advanced right of way
22 revolving fund, the advanced environmental mitigation revolving
23 account, the federal narcotics asset forfeitures account, the high
24 occupancy vehicle account, the local rail service assistance account,
25 and the miscellaneous transportation programs account.

26 (5) In conformance with Article II, section 37 of the state
27 Constitution, no trust accounts or funds shall be allocated earnings
28 without the specific affirmative directive of this section.

29 NEW SECTION. **Sec. 8.** Sections 1, 2, and 4 through 6 of this act
30 constitute a new chapter in Title 28B RCW.

31 NEW SECTION. **Sec. 9.** This act is necessary for the immediate
32 preservation of the public peace, health, or safety, or support of the
33 state government and its existing public institutions, and takes effect
34 immediately."

1 Correct the title.

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