

---

SECOND SUBSTITUTE HOUSE BILL 1140

---

State of Washington

56th Legislature

1999 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Carlson, Kenney, Radcliff, Lantz, Dunn, Esser, Edmonds, Cooper, Campbell and K. Schmidt)

Read first time 03/08/1999.

1 AN ACT Relating to higher education; amending RCW 28B.10.800,  
2 28B.10.804, 28B.10.806, 28B.10.808, 28B.10.810, and 28B.10.822; and  
3 adding a new section to chapter 28B.10 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.10 RCW  
6 to read as follows:

7 (1) The legislature finds that the higher education coordinating  
8 board, in consultation with the higher education community, has  
9 completed a review of the state need grant program. It is the intent  
10 of the legislature to endorse the board's proposed changes to the state  
11 need grant program, including:

12 (a) Reaffirmation that the primary purpose of the state need grant  
13 program is to assist low-income, needy, and disadvantaged Washington  
14 residents attending institutions of higher education;

15 (b) State need grant recipients be required to contribute a portion  
16 of the total cost of their education through self-help;

17 (c) State need grant recipients be required to document their need  
18 for dependent care assistance after taking into account other public  
19 funds provided for like purposes; and

1 (d) Institutional aid administrators be allowed to determine  
2 whether a student eligible for a state need grant in a given academic  
3 year may remain eligible for the ensuing year if the student's family  
4 income increases by no more than a marginal amount.

5 (2) The legislature further finds that the higher education  
6 coordinating board, under its authority to implement the proposed  
7 changes in subsection (1) of this section, should do so in a timely  
8 manner.

9 (3) The legislature also finds that:

10 (a) In most circumstances, need grant eligibility should not extend  
11 beyond five years or one hundred twenty-five percent of the published  
12 length of the program in which the student is enrolled or the credit or  
13 clock-hour equivalent; and

14 (b) State financial aid programs should continue to adhere to the  
15 principle that funding follows resident students to their choice of  
16 institution of higher education.

17 **Sec. 2.** RCW 28B.10.800 and 1993 sp.s. c 18 s 2 are each amended to  
18 read as follows:

19 The ~~((sole))~~ purposes of RCW 28B.10.800 through 28B.10.824 ~~((is))~~  
20 are to establish ((a)) the principles upon which the state financial  
21 aid programs will be based and to establish the state of Washington  
22 ~~((student financial aid))~~ state need grant program, thus assisting  
23 financially needy or disadvantaged students domiciled in Washington to  
24 obtain the opportunity of attending an accredited institution of higher  
25 education, as defined in RCW 28B.10.802(1). ~~((Financial aid))~~ State  
26 need grants under RCW 28B.10.800 through 28B.10.824 ~~((is))~~ are  
27 available only to students who are resident students as defined in RCW  
28 28B.15.012(2) (a) through (d).

29 **Sec. 3.** RCW 28B.10.804 and 1995 c 269 s 801 are each amended to  
30 read as follows:

31 The ~~((commission))~~ board shall be cognizant of the following  
32 guidelines in the performance of its duties:

33 (1) The ~~((commission))~~ board shall be research oriented, not only  
34 at its inception but continually through its existence.

35 (2) The ~~((commission))~~ board shall coordinate all existing programs  
36 of financial aid except those specifically dedicated to a particular  
37 institution by the donor.

1 (3) The ((~~commission~~)) board shall take the initiative and  
2 responsibility for coordinating all federal student financial aid  
3 programs to ((~~insure~~)) ensure that the state recognizes the maximum  
4 potential effect of these programs, and shall design ((~~the~~)) state  
5 programs ((~~which~~)) that complement((~~s~~)) existing federal, state, and  
6 institutional programs. The board shall ensure that state programs  
7 continue to follow the principle that state financial aid funding  
8 follows the student to the student's choice of institution of higher  
9 education.

10 (4) Counseling is a paramount function of the state need grant and  
11 other state student financial aid programs, and in most cases could  
12 only be properly implemented at the institutional levels; therefore,  
13 state student financial aid programs shall be concerned with the  
14 attainment of those goals which, in the judgment of the ((~~commission~~))  
15 board, are the reasons for the existence of a student financial aid  
16 program, and not solely with administration of the program on an  
17 individual basis.

18 (5) The "package" approach of combining loans, grants and  
19 employment for student financial aid shall be the ((~~exceptional~~))  
20 conceptual element of the state's involvement.

21 **Sec. 4.** RCW 28B.10.806 and 1989 c 254 s 3 are each amended to read  
22 as follows:

23 The ((~~commission~~)) board shall have the following powers and  
24 duties:

25 (1) Conduct a full analysis of student financial aid as a means of:

26 (a) Fulfilling educational aspirations of students of the state of  
27 Washington, and

28 (b) Improving the general, social, cultural, and economic character  
29 of the state.

30 Such an analysis will be a continuous one and will yield current  
31 information relevant to needed improvements in the state program of  
32 student financial aid. The ((~~commission~~)) board will disseminate the  
33 information yielded by their analyses to all appropriate individuals  
34 and agents.

35 ((~~(c) This study should include information on the following:~~

36 ~~(i) all programs and sources of available student financial aid,~~

37 ~~(ii) distribution of Washington citizens by socio-economic class,~~

38 ~~(iii) data from federal and state studies useful in identifying:~~

1       ~~(A) demands of students for specific educational goals in colleges,~~  
2 and

3       ~~(B) the discrepancy between high school students' preferences and~~  
4 ~~the colleges they actually selected.))~~

5       (2) Design a state program of student financial aid based on the  
6 data of the study referred to in this section. The state programs will  
7 supplement available federal and local aid programs. The state  
8 programs of student financial aid will not exceed the difference  
9 between the budgetary costs of attending an institution of higher  
10 ~~((learning))~~ education and the student's total resources, including  
11 family support, personal savings, employment, and federal, state, and  
12 local aid programs.

13       (3) Determine and establish criteria for financial need of the  
14 individual applicant based upon the consideration of that particular  
15 applicant. In making this determination the ~~((commission))~~ board shall  
16 consider the following:

17       (a) Assets and income of the student.

18       (b) Assets and income of the parents, or the individuals legally  
19 responsible for the care and maintenance of the student.

20       (c) The cost of attending the institution the student is attending  
21 or planning to attend.

22       (d) Any other criteria deemed relevant to the ~~((commission))~~ board.

23       (4) Set the amount of financial aid to be awarded to any individual  
24 needy or disadvantaged student in any school year.

25       (5) Award financial aid to needy or disadvantaged students for a  
26 school year based upon only that amount necessary to fill the financial  
27 gap between the budgetary cost of attending an institution of higher  
28 education and the family and student contribution.

29       (6) Review the need and eligibility of all applications on an  
30 annual basis and adjust financial aid to reflect changes in the  
31 financial need of the recipients and the cost of attending the  
32 institution of higher education.

33       **Sec. 5.** RCW 28B.10.808 and 1991 c 164 s 4 are each amended to read  
34 as follows:

35       In awarding need grants, the ~~((commission))~~ board shall proceed  
36 substantially as follows: PROVIDED, That nothing contained herein  
37 shall be construed to prevent the ~~((commission))~~ board, in the exercise

1 of its sound discretion, from following another procedure when the best  
2 interest of the program so dictates:

3 (1) The ~~((commission))~~ board shall annually select the financial  
4 aid award ~~((winners))~~ recipients from among Washington residents  
5 applying for student financial aid who have been ranked according to  
6 financial need as determined by the amount of the family contribution  
7 and other considerations brought to the ~~((commission's))~~ board's  
8 attention.

9 (2) The financial need of the highest ranked students shall be met  
10 by grants depending upon the evaluation of financial need until the  
11 total allocation has been disbursed. Funds from grants which are  
12 declined, forfeited or otherwise unused shall be reawarded until  
13 dispersed.

14 ~~((A grant may be renewed until the course of study is  
15 completed, but not for more than an additional four academic years  
16 beyond the first year of the award. These shall not be required to be  
17 consecutive years))~~ A student shall be eligible to receive a state need  
18 grant for up to five years, or the credit or clock hour equivalent of  
19 five years, or up to one hundred twenty-five percent of the published  
20 length of time of the student's program. A student may not start a new  
21 associate degree program as a state need grant recipient until at least  
22 five years have elapsed since earning an associate degree as a need  
23 grant recipient, except that a student may earn two associate degrees  
24 concurrently. Qualifications for renewal will include maintaining  
25 satisfactory academic ~~((standing))~~ progress toward completion of ~~((the  
26 course of study, and continued eligibility))~~ an eligible program as  
27 determined by the ~~((commission))~~ board. Should the recipient terminate  
28 his or her enrollment for any reason during the academic year, the  
29 unused portion of the grant shall be returned to the state educational  
30 grant fund by the institution according to the institution's own policy  
31 for issuing refunds, except as provided in RCW 28B.10.8081.

32 (4) In computing financial need, the ~~((commission))~~ board shall  
33 determine a maximum student expense budget allowance, not to exceed an  
34 amount equal to the total maximum student expense budget at the public  
35 institutions plus the current average state appropriation per student  
36 for operating expense in the public institutions.

37 **Sec. 6.** RCW 28B.10.810 and 1989 c 254 s 5 are each amended to read  
38 as follows:

1 For a student to be eligible for (~~financial aid the~~) a state need  
2 grant a student must:

3 (1) Be a "needy student" or "disadvantaged student" as determined  
4 by the (~~commission~~) board in accordance with RCW 28B.10.802 (3) and  
5 (4).

6 (2) Have been domiciled within the state of Washington for at least  
7 one year.

8 (3) Be enrolled or accepted for enrollment on at least a half-time  
9 basis at an institution of higher education in Washington as defined in  
10 RCW 28B.10.802(1).

11 (4) Have complied with all the rules and regulations adopted by the  
12 (~~commission~~) board for the administration of RCW 28B.10.800 through  
13 28B.10.824.

14 **Sec. 7.** RCW 28B.10.822 and 1973 c 62 s 4 are each amended to read  
15 as follows:

16 The (~~commission~~) board shall adopt rules (~~and regulations~~) as  
17 may be necessary or appropriate for effecting the provisions of RCW  
18 28B.10.800 through 28B.10.824 and section 1 of this act, and not in  
19 conflict with RCW 28B.10.800 through 28B.10.824, in accordance with the  
20 provisions of chapter 34.05 RCW, the (~~state higher education~~)  
21 administrative procedure act.

--- END ---