
SUBSTITUTE SENATE BILL 5902

State of Washington

56th Legislature

1999 Regular Session

By Senate Committee on Higher Education (originally sponsored by Senators Kohl-Welles, Sheahan and Shin)

Read first time 03/01/1999.

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) A goal that the base state need grant amount be equivalent to
16 one hundred percent of tuition charged to resident students attending
17 Washington state public colleges and universities;

18 (c) State need grant recipients be required to contribute a portion
19 of the total cost of their education through self-help;

1 (d) State need grant recipients be required to document their need
2 for dependent care assistance after taking into account other public
3 funds provided for like purposes; and

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

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

12 (3) The legislature also finds that:

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

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

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

22 The ~~((sole))~~ purposes of RCW 28B.10.800 through 28B.10.824 ~~((is))~~
23 are to establish ((a)) the principles upon which the state financial
24 aid programs will be based and to establish the state of Washington
25 ~~((student financial aid))~~ state need grant program, thus assisting
26 financially needy or disadvantaged students domiciled in Washington to
27 obtain the opportunity of attending an accredited institution of higher
28 education, as defined in RCW 28B.10.802(1). ~~((Financial aid))~~ State
29 need grants under RCW 28B.10.800 through 28B.10.824 ~~((is))~~ are
30 available only to students who are resident students as defined in RCW
31 28B.15.012(2) (a) through (d).

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

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

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

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

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

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

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

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

26 The ~~((commission))~~ board shall have the following powers and
27 duties:

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

29 (a) Fulfilling educational aspirations of students of the state of
30 Washington, and

31 (b) Improving the general, social, cultural, and economic character
32 of the state.

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

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

1 ~~(i) all programs and sources of available student financial aid,~~
2 ~~(ii) distribution of Washington citizens by socio-economic class,~~
3 ~~(iii) data from federal and state studies useful in identifying:~~
4 ~~(A) demands of students for specific educational goals in colleges,~~
5 and

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

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

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

20 (a) Assets and income of the student.

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

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

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

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

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

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

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

1 In awarding need grants, the ~~((commission))~~ board shall proceed
2 substantially as follows: PROVIDED, That nothing contained herein
3 shall be construed to prevent the ~~((commission))~~ board, in the exercise
4 of its sound discretion, from following another procedure when the best
5 interest of the program so dictates:

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

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

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

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

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

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

5 (1) Be a "needy student" or "disadvantaged student" as determined
6 by the (~~commission~~) board in accordance with RCW 28B.10.802 (3) and
7 (4).

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

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

13 (4) Have complied with all the rules and regulations adopted by the
14 (~~commission~~) board for the administration of RCW 28B.10.800 through
15 28B.10.824.

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

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

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