

ESHB 2381 - S COMM AMD
By Committee on Higher Education

ADOPTED AS AMENDED 3/4/04

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 28B.85.020 and 1996 c 305 s 1 are each amended to
4 read as follows:

5 (1) The board:

6 (a) Shall adopt by rule minimum standards for degree-granting
7 institutions concerning granting of degrees, quality of education,
8 unfair business practices, financial stability, and other necessary
9 measures to protect citizens of this state against substandard,
10 fraudulent, or deceptive practices. The board shall adopt the rules in
11 accordance with chapter 34.05 RCW;

12 (b) May investigate any entity the board reasonably believes to be
13 subject to the jurisdiction of this chapter. In connection with the
14 investigation, the board may administer oaths and affirmations, issue
15 subpoenas and compel attendance, take evidence, and require the
16 production of any books, papers, correspondence, memorandums, or other
17 records which the board deems relevant or material to the
18 investigation. The board, including its staff and any other authorized
19 persons, may conduct site inspections, the cost of which shall be borne
20 by the institution, and examine records of all institutions subject to
21 this chapter;

22 (c) Shall develop an interagency agreement with the work force
23 training and education coordinating board to regulate degree-granting
24 private vocational schools with respect to degree and nondegree
25 programs; and

26 (d) Shall develop and disseminate information to the public about
27 entities that sell or award degrees without requiring appropriate
28 academic achievement at the postsecondary level, including but not
29 limited to, a description of the substandard and potentially fraudulent
30 practices of these entities, and advice about how the public can
31 recognize and avoid the entities. To the extent feasible, the

1 information shall include links to additional resources that may assist
2 the public in identifying specific institutions offering substandard or
3 fraudulent degree programs.

4 (2) Financial disclosures provided to the board by degree-granting
5 private vocational schools are not subject to public disclosure under
6 chapter 42.17 RCW.

7 **Sec. 2.** RCW 28B.85.040 and 1996 c 97 s 1 are each amended to read
8 as follows:

9 (1) An institution or person shall not advertise, offer, sell, or
10 award a degree or any other type of educational credential unless the
11 student has enrolled in and successfully completed a prescribed program
12 of study, as outlined in the institution's publications. This
13 prohibition shall not apply to honorary credentials clearly designated
14 as such on the front side of the diploma or certificate and awarded by
15 institutions offering other educational credentials in compliance with
16 state law.

17 (2) No exemption granted under this chapter is permanent. The
18 board shall periodically review exempted degree-granting institutions,
19 and continue exemptions only if an institution meets the statutory
20 requirements for exemption in effect on the date of the review.

21 (3) Except as provided in subsection (1) of this section, this
22 chapter shall not apply to:

23 (a) Any public college, university, community college, technical
24 college, or institute operating as part of the public higher
25 educational system of this state;

26 (b) Institutions that have been accredited by an accrediting
27 association recognized by the agency for the purposes of this chapter:
28 PROVIDED, That those institutions meet minimum exemption standards
29 adopted by the agency; and PROVIDED FURTHER, That an institution,
30 branch, extension, or facility operating within the state of Washington
31 which is affiliated with an institution operating in another state must
32 be a separately accredited member institution of any such accrediting
33 association to qualify for this exemption;

34 (c) Institutions of a religious character, but only as to those
35 education programs devoted exclusively to religious or theological
36 objectives if the programs are represented in an accurate manner in
37 institutional catalogs and other official publications; ((~~or~~))

1 (d) Honorary credentials clearly designated as such on the front
2 side of the diploma or certificate awarded by institutions offering
3 other educational credentials in compliance with state law; or

4 (e) Institutions not otherwise exempt which offer only workshops or
5 seminars ((~~lasting no longer than three calendar days and for which~~
6 academic credit is not awarded)) and institutions offering only credit-
7 bearing workshops or seminars lasting no longer than three calendar
8 days.

9 **Sec. 3.** RCW 28B.119.010 and 2003 c 233 s 5 are each amended to
10 read as follows:

11 The higher education coordinating board shall design the Washington
12 promise scholarship program based on the following parameters:

13 (1) Scholarships shall be awarded to students graduating from
14 public and approved private high schools under chapter 28A.195 RCW,
15 students participating in home-based instruction as provided in chapter
16 28A.200 RCW, and persons twenty-one years of age or younger receiving
17 a GED certificate, who meet both an academic and a financial
18 eligibility criteria.

19 (a) Academic eligibility criteria shall be defined as follows:

20 (i) Beginning with the graduating class of 2002, students
21 graduating from public and approved private high schools under chapter
22 28A.195 RCW must be in the top fifteen percent of their graduating
23 class, as identified by each respective high school at the completion
24 of the first term of the student's senior year; or

25 (ii) Students graduating from public high schools, approved private
26 high schools under chapter 28A.195 RCW, students participating in home-
27 based instruction as provided in chapter 28A.200 RCW, and persons
28 twenty-one years of age or younger receiving a GED certificate, must
29 equal or exceed a cumulative scholastic assessment test I score of
30 twelve hundred on their first attempt or must equal or exceed a
31 composite American college test score of twenty-seven on their first
32 attempt.

33 (b) To meet the financial eligibility criteria, a student's family
34 income shall not exceed one hundred thirty-five percent of the state
35 median family income adjusted for family size, as determined by the
36 higher education coordinating board for each graduating class.
37 Students not meeting the eligibility requirements for the first year of

1 scholarship benefits may reapply for the second year of benefits, but
2 must still meet the income standard set by the board for the student's
3 graduating class.

4 (2) Promise scholarships are not intended to supplant any grant,
5 scholarship, or tax program related to postsecondary education. If the
6 board finds that promise scholarships supplant or reduce any grant,
7 scholarship, or tax program for categories of students, then the board
8 shall adjust the financial eligibility criteria or the amount of
9 scholarship to the level necessary to avoid supplanting.

10 (3) Within available funds, each qualifying student shall receive
11 two consecutive annual awards, the value of each not to exceed the
12 full-time annual resident tuition rates charged by Washington's
13 community colleges. The higher education coordinating board shall
14 award scholarships to as many students as possible from among those
15 qualifying under this section.

16 (4) By October 15th of each year, the board shall determine the
17 award amount of the scholarships, after taking into consideration the
18 availability of funds.

19 (5) The scholarships may only be used for undergraduate coursework
20 at accredited institutions of higher education in the state of
21 Washington.

22 (6) The scholarships may be used for undergraduate coursework at
23 Oregon institutions of higher education that are part of the border
24 county higher education opportunity project in RCW 28B.80.806 when
25 those institutions offer programs not available at accredited
26 institutions of higher education in Washington state.

27 (7) The board at its discretion may allow the scholarship to be
28 used for undergraduate education at Oregon and Idaho institutions,
29 located in counties adjacent to the Washington border, in order to
30 accommodate otherwise eligible students with special needs due to
31 documented disabilities. The board may establish rules regarding
32 acceptable documentation of disabilities and the special needs.

33 (8) The scholarships may be used for college-related expenses,
34 including but not limited to, tuition, room and board, books, and
35 materials.

36 ~~((+8))~~ (9) The scholarships may not be awarded to any student who
37 is pursuing a degree in theology.

38 ~~((+9))~~ (10) The higher education coordinating board may establish

1 satisfactory progress standards for the continued receipt of the
2 promise scholarship.

3 ((+10+)) (11) The higher education coordinating board shall
4 establish the time frame within which the student must use the
5 scholarship."

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6 On page 1, line 2 of the title, after "education;" strike the
7 remainder of the title and insert "and amending RCW 28B.85.020,
8 28B.85.040, and 28B.119.010."

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