

**E2SSB 5182** - H AMD 772

By Representative Seaquist

WITHDRAWN 05/21/2011

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

3       "NEW SECTION. **Sec. 1.** The legislature recognizes that the state's  
4 higher education system plays a critical role in assuring Washington's  
5 continued leadership role in driving economic prosperity, innovation,  
6 and opportunity. By educating citizens for living wage jobs, producing  
7 world-class research, and helping to create vibrant communities, the  
8 state's institutions of higher education form a foundational component  
9 in assuring prosperity for our citizens.

10       The legislature also recognizes the significant contributions made  
11 by the higher education coordinating board in coordinating higher  
12 education policy and planning, and administering the state's financial  
13 aid programs. The board has also recently finished several significant  
14 planning efforts that will provide guidance to the legislature and to  
15 the institutions in forming priorities and deploying resources.

16       However, the legislature also recognizes the importance of  
17 prioritizing scarce resources for the core, front-line services that  
18 institutions provide--namely instruction, research, and robust  
19 financial aid. During times of economic downturn, policymakers must  
20 focus on those areas of public service that have the most direct and  
21 immediate impact on students. Keeping class sections open, attracting  
22 the best professors and instructors, providing comprehensive support  
23 services, and offering meaningful financial help to offset the costs of  
24 attending school must be the main concerns of policymakers.

25       It is for these reasons that the legislature intends to create a  
26 new office dedicated entirely to the administration of student  
27 financial aid programs. By focusing financial and governance resources  
28 on direct aid to students, the state can provide the highest level of  
29 service in this area. The legislature further intends to eliminate  
30 many of the policy and planning functions of the higher education

1 coordinating board and rededicate those resources to the higher  
2 education institutions that provide the core, front-line services  
3 associated with instruction and research. Given the unprecedented  
4 budget crises the state is facing, the state must take the opportunity  
5 to build on the recommendations of the board and use the dollars where  
6 they can make the most direct impact.

7 **PART I**

8 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

9 **Sec. 101.** RCW 28B.76.020 and 2010 c 245 s 4 are each amended to  
10 read as follows:

11 The definitions in this section apply throughout this chapter  
12 unless the context clearly requires otherwise.

13 (1) (~~("Board" means the higher education coordinating board.)~~)  
14 "Council" means the council for higher education.

15 (2) "Four-year institutions" means the University of Washington,  
16 Washington State University, Central Washington University, Eastern  
17 Washington University, Western Washington University, and The Evergreen  
18 State College.

19 (3) "Major expansion" means expansion of the higher education  
20 system that requires significant new capital investment, including  
21 building new institutions, campuses, branches, or centers or conversion  
22 of existing campuses, branches, or centers that would result in a  
23 mission change.

24 (4) "Mission change" means a change in the level of degree awarded  
25 or institutional type not currently authorized in statute.

26 (5) "Office" means the office of student financial assistance.

27 **Sec. 102.** RCW 28B.76.090 and 2007 c 458 s 102 are each amended to  
28 read as follows:

29 (1) The office of student financial assistance is created.

30 (2) The purpose of the office is to administer state and federal  
31 financial aid and other education services programs, including the  
32 advanced college tuition payment program in chapter 28B.95 RCW, in a  
33 cost-effective manner.

34 (3) The ((board)) office shall employ a director ((and may delegate  
35 agency management to the director. The director)) who shall serve at

1 the pleasure of the (~~board, shall be the executive officer of the~~  
2 ~~board, and shall, under the board's supervision,~~) governor and shall  
3 administer the provisions of this chapter. The (~~executive~~) director  
4 shall(~~, with the approval of the board~~): ((+1)) (a) Employ  
5 necessary deputy and assistant directors and other exempt staff under  
6 chapter 41.06 RCW who shall serve at his or her pleasure on such terms  
7 and conditions as he or she determines and ((+2)) (b) subject to the  
8 provisions of chapter 41.06 RCW, appoint and employ such other  
9 employees as may be required for the proper discharge of the functions  
10 of the (~~board. The executive director shall exercise such additional~~  
11 ~~powers, other than rule making, as may be delegated by the board by~~  
12 ~~resolution. In fulfilling the duties under this chapter, the board~~  
13 ~~shall make extensive use of those state agencies with responsibility~~  
14 ~~for implementing and supporting postsecondary education plans and~~  
15 ~~policies including but not limited to appropriate legislative groups,~~  
16 ~~the postsecondary education institutions, the office of financial~~  
17 ~~management, the workforce training and education coordinating board,~~  
18 ~~the state board for community and technical colleges, and the office of~~  
19 ~~the superintendent of public instruction. Outside consulting and~~  
20 ~~service agencies may also be employed. The board may compensate these~~  
21 ~~groups and consultants in appropriate ways~~) office.

22 **Sec. 103.** RCW 28B.76.120 and 1985 c 370 s 8 are each amended to  
23 read as follows:

24 The (~~board~~) office shall have authority to adopt rules as  
25 necessary to implement this chapter.

26 **Sec. 104.** RCW 28B.76.300 and 2004 c 275 s 14 are each amended to  
27 read as follows:

28 (1) The (~~board~~) office shall annually develop information on the  
29 approximate amount of state support that students receive. For  
30 students at state-supported colleges and universities, the information  
31 shall include the approximate level of support received by students in  
32 each tuition category. That information may include consideration of  
33 the following: Expenditures included in the educational cost formula,  
34 revenue forgiven from waived tuition and fees, state-funded financial  
35 aid awarded to students at public institutions, and all or a portion of  
36 appropriated amounts not reflected in the educational cost formula for

1 institutional programs and services that may affect or enhance the  
2 educational experience of students at a particular institution. For  
3 students attending a private college, university, or proprietary  
4 school, the information shall include the amount of state-funded  
5 financial aid awarded to students attending the institution.

6 (2) Beginning July 30, 1993, the ((~~board~~)) office shall annually  
7 provide information appropriate to each institution's student body to  
8 each state-supported four-year institution of higher education and to  
9 the state board for community and technical colleges for distribution  
10 to community colleges and technical colleges.

11 (3) Beginning July 30, 1993, the ((~~board~~)) office shall annually  
12 provide information on the level of financial aid received by students  
13 at that institution to each private university, college, or proprietary  
14 school, that enrolls students receiving state-funded financial aid.

15 (4) Beginning with the 1997 fall academic term, each institution of  
16 higher education described in subsection (2) or (3) of this section  
17 shall provide to students at the institution information on the  
18 approximate amount that the state is contributing to the support of  
19 their education. Information provided to students at each state-  
20 supported college and university shall include the approximate amount  
21 of state support received by students in each tuition category at that  
22 institution. The amount of state support shall be based on the  
23 information provided by the ((~~board~~)) office under subsections (1)  
24 through (3) of this section. The information shall be provided to  
25 students at the beginning of each academic term through one or more of  
26 the following: Registration materials, class schedules, tuition and  
27 fee billing packets, student newspapers, or via e-mail or kiosk.

28 **Sec. 105.** RCW 28B.76.500 and 2009 c 215 s 7 are each amended to  
29 read as follows:

30 (1) The ((~~board~~)) office shall administer any state program or  
31 state-administered federal program of student financial aid now or  
32 hereafter established.

33 (2) Each of the student financial aid programs administered by the  
34 ((~~board~~)) office shall be labeled an "opportunity pathway." Loans  
35 provided by the federal government and aid granted to students outside  
36 of the financial aid package provided through institutions of higher  
37 education are not subject to the labeling provisions in this

1 subsection. All communication materials, including, but not limited  
2 to, printed materials, presentations, and web content, shall include  
3 the "opportunity pathway" label.

4 (3) If the (~~board~~) office develops a one-stop college information  
5 web-based portal that includes financial, academic, and career planning  
6 information, the portal shall display all available student financial  
7 aid programs, except federal student loans and aid granted to students  
8 outside of the financial aid package provided through institutions of  
9 higher education, under the "opportunity pathway" label. The portal  
10 shall also display information regarding federal tax credits related to  
11 higher education available for students or their families.

12 (4) The labeling requirements in this section do not change the  
13 source, eligibility requirements, or student obligations associated  
14 with each program. The (~~board~~) office shall customize its  
15 communications to differentiate between programs, eligibility  
16 requirements, and student obligations, so long as the reporting  
17 provisions of this chapter are also fulfilled.

18 **Sec. 106.** RCW 28B.76.505 and 2007 c 73 s 1 are each amended to  
19 read as follows:

20 (1) The investment of funds from all scholarship endowment programs  
21 administered by the (~~higher education coordinating board~~) office  
22 shall be managed by the state investment board.

23 (2) The state investment board has the full power to invest,  
24 reinvest, manage, contract, sell, or exchange investment money in  
25 scholarship endowment funds. All investment and operating costs  
26 associated with the investment of a scholarship endowment fund shall be  
27 paid pursuant to RCW 43.33A.160 and 43.84.160. With the exception of  
28 these expenses, the earnings from the investments of the fund belong to  
29 the fund.

30 (3) Funds from all scholarship endowment programs administered by  
31 the board shall be in the custody of the state treasurer.

32 (4) All investments made by the state investment board shall be  
33 made with the exercise of that degree of judgment and care pursuant to  
34 RCW 43.33A.140 and the investment policies established by the state  
35 investment board.

36 (5) As deemed appropriate by the state investment board, money in

1 a scholarship endowment fund may be commingled for investment with  
2 other funds subject to investment by the state investment board.

3 (6) The authority to establish all policies relating to scholarship  
4 endowment funds, other than the investment policies in subsections (2)  
5 through (5) of this section, resides with the (~~higher education~~  
6 ~~coordinating board~~) office.

7 (7) The (~~higher education coordinating board~~) office may request  
8 and accept moneys from the state investment board. With the exception  
9 of expenses of the state investment board in subsection (2) of this  
10 section, disbursements from the fund shall be made only on the  
11 authorization of the (~~higher education coordinating board,~~) office  
12 and money in the fund may be spent only for the purposes of the  
13 endowment programs as specified in the authorizing chapter of each  
14 program.

15 (8) The state investment board shall routinely consult and  
16 communicate with the (~~higher education coordinating board~~) office on  
17 the investment policy, earnings of the scholarship endowment funds, and  
18 related needs of the programs.

19 **Sec. 107.** RCW 28B.76.510 and 1985 c 370 s 21 are each amended to  
20 read as follows:

21 The (~~board~~) office shall administer any federal act pertaining to  
22 higher education which is not administered by another state agency.

23 **Sec. 108.** RCW 28B.76.520 and 1985 c 370 s 22 are each amended to  
24 read as follows:

25 The (~~board~~) office is authorized to receive and expend federal  
26 funds and any private gifts or grants, such federal funds or private  
27 funds to be expended in accordance with the conditions contingent in  
28 such grant thereof.

29 **Sec. 109.** RCW 28B.76.525 and 2005 c 139 s 1 are each amended to  
30 read as follows:

31 (1) The state financial aid account is created in the custody of  
32 the state treasurer. The primary purpose of the account is to ensure  
33 that all appropriations designated for financial aid through statewide  
34 student financial aid programs are made available to eligible students.  
35 The account shall be a nontreasury account.

1           (2) The (~~higher education coordinating board~~) office shall  
2 deposit in the account all money received for the state need grant  
3 program established under RCW 28B.92.010, the state work-study program  
4 established under chapter 28B.12 RCW, the Washington scholars program  
5 established under RCW 28A.600.110, the Washington award for vocational  
6 excellence program established under RCW 28C.04.525, and the  
7 educational opportunity grant program established under chapter 28B.101  
8 RCW. The account shall consist of funds appropriated by the  
9 legislature for the programs listed in this subsection and private  
10 contributions to the programs. Moneys deposited in the account do not  
11 lapse at the close of the fiscal period for which they were  
12 appropriated. Both during and after the fiscal period in which moneys  
13 were deposited in the account, the (~~board~~) office may expend moneys  
14 in the account only for the purposes for which they were appropriated,  
15 and the expenditures are subject to any other conditions or limitations  
16 placed on the appropriations.

17           (3) Expenditures from the account shall be used for scholarships to  
18 students eligible for the programs according to program rules and  
19 policies.

20           (4) Disbursements from the account are exempt from appropriations  
21 and the allotment provisions of chapter 43.88 RCW.

22           (5) Only the (~~executive~~) director of the (~~higher education~~  
23 ~~coordinating board~~) office or the (~~executive~~) director's designee  
24 may authorize expenditures from the account.

25           **Sec. 110.** RCW 28B.76.540 and 2004 c 275 s 18 are each amended to  
26 read as follows:

27           In addition to administrative responsibilities assigned in this  
28 chapter, the (~~board~~) office shall administer the programs set forth  
29 in the following statutes: RCW 28A.600.100 through 28A.600.150  
30 (Washington scholars); chapter 28B.85 RCW (degree-granting  
31 institutions); chapter 28B.92 RCW (state need grant); chapter 28B.12  
32 RCW (work study); RCW 28B.15.543 (tuition waivers for Washington  
33 scholars); RCW 28B.15.760 through 28B.15.766 (math and science loans);  
34 RCW 28B.15.100 (reciprocity agreement); RCW 28B.15.730 through  
35 (~~28B.15.736~~) 28B.15.734 (Oregon reciprocity); RCW 28B.15.750 through  
36 28B.15.754 (Idaho reciprocity); RCW 28B.15.756 and 28B.15.758 (British  
37 Columbia reciprocity); chapter 28B.101 RCW (educational opportunity

1 grant); chapter 28B.102 RCW (future teachers conditional scholarship);  
2 chapter 28B.108 RCW (American Indian endowed scholarship); chapter  
3 28B.109 RCW (Washington international exchange scholarship); chapter  
4 28B.115 RCW (health professional conditional scholarship); chapter  
5 28B.119 RCW (Washington promise scholarship); and chapter 28B.133 RCW  
6 (gaining independence for students with dependents).

7 **Sec. 111.** RCW 28B.76.560 and 1987 c 8 s 2 are each amended to read  
8 as follows:

9 The Washington distinguished professorship trust fund program is  
10 established.

11 The program shall be administered by the (~~higher education~~  
12 ~~coordinating board~~) office.

13 The trust fund shall be administered by the state treasurer.

14 **Sec. 112.** RCW 28B.76.565 and 2010 1st sp.s. c 37 s 915 are each  
15 amended to read as follows:

16 Funds appropriated by the legislature for the distinguished  
17 professorship program shall be deposited in the distinguished  
18 professorship trust fund. At the request of the (~~higher education~~  
19 ~~coordinating board~~) office under RCW 28B.76.575, the treasurer shall  
20 release the state matching funds to the designated institution's local  
21 endowment fund. No appropriation is required for expenditures from the  
22 fund. During the 2009-2011 fiscal biennium, the legislature may  
23 transfer from the distinguished professorship trust fund to the state  
24 general fund such amounts as reflect the excess fund balance in the  
25 account.

26 **Sec. 113.** RCW 28B.76.570 and 1987 c 8 s 4 are each amended to read  
27 as follows:

28 In consultation with the eligible institutions of higher education,  
29 the (~~higher education coordinating board~~) office shall set guidelines  
30 for the program. These guidelines may include an allocation system  
31 based on factors which include but are not limited to: The amount of  
32 money available in the trust fund; characteristics of the institutions  
33 including the size of the faculty and student body; and the number of  
34 professorships previously received.



1 Any allocation system shall be superseded by conditions in any act  
2 of the legislature appropriating funds for this program.

3 **Sec. 114.** RCW 28B.76.575 and 1988 c 125 s 3 are each amended to  
4 read as follows:

5 All state four-year institutions of higher education shall be  
6 eligible for matching trust funds. An institution may apply to the  
7 (~~higher education coordinating board~~) office for two hundred fifty  
8 thousand dollars from the fund when the institution can match the state  
9 funds with an equal amount of pledged or contributed private donations  
10 or with funds received through legislative appropriation specifically  
11 for the G. Robert Ross distinguished faculty award and designated as  
12 being qualified to be matched from trust fund moneys. These donations  
13 shall be made specifically to the professorship program, and shall be  
14 donated after July 1, 1985.

15 Upon an application by an institution, the (~~board~~) office may  
16 designate two hundred fifty thousand dollars from the trust fund for  
17 that institution's pledged professorship. If the pledged two hundred  
18 fifty thousand dollars is not received within three years, the  
19 (~~board~~) office shall make the designated funds available for another  
20 pledged professorship.

21 Once the private donation is received by the institution, the  
22 (~~higher education coordinating board~~) office shall ask the state  
23 treasurer to release the state matching funds to a local endowment fund  
24 established by the institution for the professorship.

25 **Sec. 115.** RCW 28B.76.605 and 1987 c 147 s 2 are each amended to  
26 read as follows:

27 The Washington graduate fellowship trust fund program is  
28 established. The program shall be administered by the (~~higher  
29 education coordinating board~~) office. The trust fund shall be  
30 administered by the state treasurer.

31 **Sec. 116.** RCW 28B.76.610 and 2010 1st sp.s. c 37 s 916 are each  
32 amended to read as follows:

33 Funds appropriated by the legislature for the graduate fellowship  
34 program shall be deposited in the graduate fellowship trust fund. At  
35 the request of the (~~higher education coordinating board~~) office under

1 RCW 28B.76.620, the treasurer shall release the state matching funds to  
2 the designated institution's local endowment fund. No appropriation is  
3 required for expenditures from the fund. During the 2009-2011 fiscal  
4 biennium, the legislature may transfer from the graduate fellowship  
5 trust fund to the state general fund such amounts as reflect the excess  
6 fund balance in the account.

7 **Sec. 117.** RCW 28B.76.615 and 1987 c 147 s 4 are each amended to  
8 read as follows:

9 In consultation with eligible institutions of higher education, the  
10 (~~higher education coordinating board~~) office shall set guidelines for  
11 the program. These guidelines may include an allocation system based  
12 on factors which include but are not limited to: The amount of money  
13 available in the trust fund; characteristics of the institutions  
14 including the size of the faculty and student body; and the number of  
15 fellowships previously received.

16 Any allocation system shall be superseded by conditions in any  
17 legislative act appropriating funds for the program.

18 **Sec. 118.** RCW 28B.76.620 and 1987 c 147 s 5 are each amended to  
19 read as follows:

20 (1) All state four-year institutions of higher education shall be  
21 eligible for matching trust funds. Institutions may apply to the  
22 (~~higher education coordinating board~~) office for twenty-five thousand  
23 dollars from the fund when they can match the state funds with equal  
24 pledged or contributed private donations. These donations shall be  
25 made specifically to the graduate fellowship program, and shall be  
26 donated after July 1, 1987.

27 (2) Upon an application by an institution, the (~~board~~) office may  
28 designate twenty-five thousand dollars from the trust fund for that  
29 institution's pledged graduate fellowship fund. If the pledged twenty-  
30 five thousand dollars is not received within two years, the (~~board~~)  
31 office shall make the designated funds available for another pledged  
32 graduate fellowship fund.

33 (3) Once the private donation is received by the institution, the  
34 (~~higher education coordinating board~~) office shall ask the state  
35 treasurer to release the state matching funds to a local endowment fund  
36 established by the institution for the graduate fellowships.

1       **Sec. 119.** RCW 28B.76.640 and 1985 c 370 s 17 are each amended to  
2 read as follows:

3       The ((~~board~~)) office is hereby specifically directed to develop  
4 such state plans as are necessary to coordinate the state of  
5 Washington's participation within the student exchange compact programs  
6 under the auspices of the Western Interstate Commission for Higher  
7 Education, as provided by chapter 28B.70 RCW. In addition to  
8 establishing such plans the ((~~board~~)) office shall designate the state  
9 certifying officer for student programs.

10       **Sec. 120.** RCW 28B.76.645 and 2004 c 275 s 23 are each amended to  
11 read as follows:

12       In the development of any such plans as called for within RCW  
13 28B.76.640, the ((~~board~~)) office shall use at least the following  
14 criteria:

15       (1) Students who are eligible to attend compact-authorized programs  
16 in other states shall meet the Washington residency requirements of  
17 chapter 28B.15 RCW prior to being awarded tuition assistance.

18       (2) For recipients named after January 1, 1995, the tuition  
19 assistance shall be in the form of loans that may be completely  
20 forgiven in exchange for the student's service within the state of  
21 Washington after graduation. The requirements for such service and  
22 provisions for loan forgiveness shall be determined in rules adopted by  
23 the ((~~board~~)) office.

24       (3) If appropriations are insufficient to fund all students  
25 qualifying under subsection (1) of this section, then the plans shall  
26 include criteria for student selection that would be in the best  
27 interest in meeting the state's educational needs, as well as  
28 recognizing the financial needs of students.

29       (4) Receipts from the payment of principal or interest or any other  
30 subsidies to which the ((~~board~~)) office as administrator is entitled,  
31 that are paid by or on behalf of participants under this section, shall  
32 be deposited with the ((~~board~~)) office and placed in an account created  
33 in this section and shall be used to cover the costs of granting the  
34 scholarships, maintaining necessary records, and making collections.  
35 The ((~~board~~)) office shall maintain accurate records of these costs,  
36 and all receipts beyond those necessary to pay such costs shall be used  
37 to grant conditional loans to eligible students.

1 (5) The Washington interstate commission on higher education  
2 professional student exchange program trust fund is created in the  
3 custody of the state treasurer. All receipts from loan repayment shall  
4 be deposited into the fund. Only the (~~higher education coordinating~~  
5 ~~board~~) office, or its designee, may authorize expenditures from the  
6 fund. No appropriation is required for expenditures from this fund.

7 **Sec. 121.** RCW 28B.76.650 and 1985 c 370 s 19 are each amended to  
8 read as follows:

9 The (~~board~~) office shall periodically advise the governor and the  
10 legislature of the policy implications of the state of Washington's  
11 participation in the Western Interstate Commission for Higher Education  
12 student exchange programs as they affect long-range planning for post-  
13 secondary education, together with recommendations on the most  
14 efficient way to provide high cost or special educational programs to  
15 Washington residents.

16 **Sec. 122.** RCW 28B.76.660 and 2005 c 518 s 917 are each amended to  
17 read as follows:

18 (1) Recipients of the Washington scholars award or the Washington  
19 scholars-alternate award under RCW 28A.600.100 through 28A.600.150 who  
20 choose to attend an independent college or university in this state, as  
21 defined in subsection (4) of this section, and recipients of the award  
22 named after June 30, 1994, who choose to attend a public college or  
23 university in the state may receive grants under this section if moneys  
24 are available. The (~~higher education coordinating board~~) office  
25 shall distribute grants to eligible students under this section from  
26 moneys appropriated for this purpose. The individual grants shall not  
27 exceed, on a yearly basis, the yearly, full-time, resident,  
28 undergraduate tuition and service and activities fees in effect at the  
29 state-funded research universities. Grants to recipients attending an  
30 independent institution shall be contingent upon the institution  
31 matching on at least a dollar-for-dollar basis, either with actual  
32 money or by a waiver of fees, the amount of the grant received by the  
33 student from the state. The (~~higher education coordinating board~~)  
34 office shall establish procedures, by rule, to disburse the awards as  
35 direct grants to the students.

1           (2) The (~~higher education coordinating board~~) office shall  
2 establish rules that provide for the annual awarding of grants, if  
3 moneys are available, to three Washington scholars per legislative  
4 district except for fiscal year 2007 when no more than two scholars per  
5 district shall be selected; and, if not used by an original recipient,  
6 to the Washington scholars-alternate from the same legislative  
7 district.

8           Beginning with scholars selected in the year 2000, if the  
9 recipients of grants fail to demonstrate in a timely manner that they  
10 will enroll in a Washington institution of higher education in the fall  
11 term of the academic year following the award of the grant or are  
12 deemed by the (~~higher education coordinating board~~) office to have  
13 withdrawn from college during the first academic year following the  
14 award, then the grant shall be considered relinquished. The (~~higher  
15 education coordinating board~~) office may then award any remaining  
16 grant amounts to the Washington scholars-alternate from the same  
17 legislative district if the grants are awarded within one calendar year  
18 of the recipient being named a Washington scholars-alternate.  
19 Washington scholars-alternates named as recipients of the grant must  
20 also demonstrate in a timely manner that they will enroll in a  
21 Washington institution of higher education during the next available  
22 term, as determined by the (~~higher education coordinating board~~)  
23 office. The (~~board~~) office may accept appeals and grant waivers to  
24 the enrollment requirements of this section based on exceptional  
25 mitigating circumstances of individual grant recipients.

26           To maintain eligibility for the grants, recipients must maintain a  
27 minimum grade point average at the college or university equivalent to  
28 3.30. Students shall be eligible to receive a maximum of twelve  
29 quarters or eight semesters of grants for undergraduate study and may  
30 transfer among in-state public and independent colleges and  
31 universities during that period and continue to receive the grant as  
32 provided under RCW 28B.76.665. If the student's cumulative grade point  
33 average falls below 3.30 during the first three quarters or two  
34 semesters, that student may petition the (~~higher education  
35 coordinating board~~) office which shall have the authority to establish  
36 a probationary period until such time as the student's grade point  
37 average meets required standards.

1 (3) No grant shall be awarded to any student who is pursuing a  
2 degree in theology.

3 (4) As used in this section, "independent college or university"  
4 means a private, nonprofit educational institution, the main campus of  
5 which is permanently situated in the state, open to residents of the  
6 state, providing programs of education beyond the high school level  
7 leading at least to the baccalaureate degree, and accredited by the  
8 northwest association of schools and colleges as of June 9, 1988, and  
9 other institutions as may be developed that are approved by the  
10 (~~higher education coordinating board~~) office of financial management  
11 as meeting equivalent standards as those institutions accredited under  
12 this section.

13 (5) As used in this section, "public college or university" means  
14 an institution of higher education as defined in RCW 28B.10.016.

15 **Sec. 123.** RCW 28B.76.670 and 1995 1st sp.s. c 7 s 8 are each  
16 amended to read as follows:

17 (1) Recipients of the Washington award for vocational excellence  
18 under RCW 28C.04.520 through 28C.04.550, who receive the award after  
19 June 30, 1994, may receive a grant, if funds are available. The grant  
20 shall be used to attend a postsecondary institution located in the  
21 state of Washington. Recipients may attend an institution of higher  
22 education as defined in RCW 28B.10.016, or an independent college or  
23 university, or a licensed private vocational school. The (~~higher  
24 education coordinating board~~) office shall distribute grants to  
25 eligible students under this section from moneys appropriated for this  
26 purpose. The individual grants shall not exceed, on a yearly basis,  
27 the yearly, full-time, resident, undergraduate tuition and service and  
28 activities fees in effect at the state-funded research universities.  
29 In consultation with the workforce training and education coordinating  
30 board, the (~~higher education coordinating board~~) office shall  
31 establish procedures, by rule, to disburse the awards as direct grants  
32 to the students.

33 (2) To qualify for the grant, recipients shall enter the  
34 postsecondary institution within three years of high school graduation  
35 and maintain a minimum grade point average at the institution  
36 equivalent to 3.00, or, at a technical college, an above average  
37 rating. Students shall be eligible to receive a maximum of two years

1 of grants for undergraduate study and may transfer among in-state  
2 eligible postsecondary institutions during that period and continue to  
3 receive the grant.

4 (3) No grant may be awarded to any student who is pursuing a degree  
5 in theology.

6 (4) As used in this section, "independent college or university"  
7 means a private, nonprofit educational institution, the main campus of  
8 which is permanently situated in the state, open to residents of the  
9 state, providing programs of education beyond the high school level  
10 leading at least to the baccalaureate degree, and accredited by the  
11 Northwest association of schools and colleges as of June 9, 1988, and  
12 other institutions as may be developed that are approved by the  
13 (~~higher education coordinating board~~) office of financial management  
14 as meeting equivalent standards as those institutions accredited under  
15 this section.

16 (5) As used in this section, "licensed private vocational school"  
17 means a private postsecondary institution, located in the state,  
18 licensed by the workforce training and education coordinating board  
19 under chapter 28C.10 RCW, and offering postsecondary education in order  
20 to prepare persons for a vocation or profession, as defined in RCW  
21 28C.10.020(7).

22 **Sec. 124.** RCW 28B.76.690 and 2003 c 159 s 3 are each amended to  
23 read as follows:

24 The (~~higher education coordinating board~~) office shall administer  
25 Washington's participation in the border county higher education  
26 opportunity project.

27 **Sec. 125.** RCW 28A.600.120 and 1985 c 370 s 32 are each amended to  
28 read as follows:

29 The (~~higher education coordinating board~~) office of student  
30 financial assistance shall have the responsibility for administration  
31 of the Washington scholars program. The program will be developed  
32 cooperatively with the Washington association of secondary school  
33 principals, a voluntary professional association of secondary school  
34 principals. The cooperation of other state agencies and private  
35 organizations having interest and responsibility in public and private  
36 education shall be sought for planning assistance.

1           **Sec. 126.** RCW 28A.600.130 and 2006 c 263 s 916 are each amended to  
2 read as follows:

3           The (~~higher education coordinating board~~) office of student  
4 financial assistance shall establish a planning committee to develop  
5 criteria for screening and selection of the Washington scholars each  
6 year in accordance with RCW 28A.600.110(1). It is the intent that  
7 these criteria shall emphasize scholastic achievement but not exclude  
8 such criteria as leadership ability and community contribution in final  
9 selection procedures. The Washington scholars planning committee shall  
10 have members from selected state agencies and private organizations  
11 having an interest and responsibility in education, including but not  
12 limited to, the office of superintendent of public instruction, the  
13 council of presidents, the state board for community and technical  
14 colleges, and the Washington friends of higher education.

15           **Sec. 127.** RCW 28A.600.140 and 1990 c 33 s 501 are each amended to  
16 read as follows:

17           Each year on or before March 1st, the Washington association of  
18 secondary school principals shall submit to the (~~higher education~~  
19 ~~coordinating board~~) office of student financial assistance the names  
20 of graduating senior high school students who have been identified and  
21 recommended to be outstanding in academic achievement by their school  
22 principals based on criteria to be established under RCW 28A.600.130.

23           **Sec. 128.** RCW 28A.600.150 and 2005 c 518 s 916 are each amended to  
24 read as follows:

25           Each year, three Washington scholars and one Washington scholars-  
26 alternate shall be selected from the students nominated under RCW  
27 28A.600.140, except that during fiscal year 2007, no more than two  
28 scholars plus one alternate may be selected. The (~~higher education~~  
29 ~~coordinating board~~) office of student financial assistance shall  
30 notify the students so designated, their high school principals, the  
31 legislators of their respective districts, and the governor when final  
32 selections have been made.

33           The (~~board~~) office, in conjunction with the governor's office,  
34 shall prepare appropriate certificates to be presented to the  
35 Washington scholars and the Washington scholars-alternates. An awards



1 ceremony at an appropriate time and place shall be planned by the  
2 ((board)) office in cooperation with the Washington association of  
3 secondary school principals, and with the approval of the governor.

4 **Sec. 129.** RCW 28A.230.125 and 2009 c 556 s 9 are each amended to  
5 read as follows:

6 (1) The superintendent of public instruction, in consultation with  
7 the ((higher education coordinating board)) four-year institutions as  
8 defined in RCW 28B.76.020, the state board for community and technical  
9 colleges, and the workforce training and education coordinating board,  
10 shall develop for use by all public school districts a standardized  
11 high school transcript. The superintendent shall establish clear  
12 definitions for the terms "credits" and "hours" so that school programs  
13 operating on the quarter, semester, or trimester system can be  
14 compared.

15 (2) The standardized high school transcript shall include a  
16 notation of whether the student has earned a certificate of individual  
17 achievement or a certificate of academic achievement.

18 **Sec. 130.** RCW 28A.600.285 and 2009 c 450 s 4 are each amended to  
19 read as follows:

20 The superintendent of public instruction and the ((higher education  
21 coordinating board)) office of student financial assistance shall  
22 develop advising guidelines to assure that students and parents  
23 understand that college credits earned in high school dual credit  
24 programs may impact eligibility for financial aid.

25 **Sec. 131.** RCW 28A.630.400 and 2006 c 263 s 815 are each amended to  
26 read as follows:

27 (1) The professional educator standards board and the state board  
28 for community and technical colleges, in consultation with the  
29 superintendent of public instruction, ((the higher education  
30 coordinating board,)) the state apprenticeship training council, and  
31 community colleges, shall adopt rules as necessary under chapter 34.05  
32 RCW to implement the paraeducator associate of arts degree.

33 (2) As used in this section, a "paraeducator" is an individual who  
34 has completed an associate of arts degree for a paraeducator. The  
35 paraeducator may be hired by a school district to assist certificated

1 instructional staff in the direct instruction of children in small and  
2 large groups, individualized instruction, testing of children,  
3 recordkeeping, and preparation of materials. The paraeducator shall  
4 work under the direction of instructional certificated staff.

5 (3) The training program for a paraeducator associate of arts  
6 degree shall include, but is not limited to, the general requirements  
7 for receipt of an associate of arts degree and training in the areas of  
8 introduction to childhood education, orientation to children with  
9 disabilities, fundamentals of childhood education, creative activities  
10 for children, instructional materials for children, fine art  
11 experiences for children, the psychology of learning, introduction to  
12 education, child health and safety, child development and guidance,  
13 first aid, and a practicum in a school setting.

14 (4) Consideration shall be given to transferability of credit  
15 earned in this program to teacher preparation programs at colleges and  
16 universities.

17 **Sec. 132.** RCW 28A.650.015 and 2009 c 556 s 17 are each amended to  
18 read as follows:

19 (1) The superintendent of public instruction, to the extent funds  
20 are appropriated, shall develop and implement a Washington state K-12  
21 education technology plan. The technology plan shall be updated on at  
22 least a biennial basis, shall be developed to coordinate and expand the  
23 use of education technology in the common schools of the state. The  
24 plan shall be consistent with applicable provisions of chapter 43.105  
25 RCW. The plan, at a minimum, shall address:

26 (a) The provision of technical assistance to schools and school  
27 districts for the planning, implementation, and training of staff in  
28 the use of technology in curricular and administrative functions;

29 (b) The continued development of a network to connect school  
30 districts, institutions of higher learning, and other sources of online  
31 information; and

32 (c) Methods to equitably increase the use of education technology  
33 by students and school personnel throughout the state.

34 (2) The superintendent of public instruction shall appoint an  
35 educational technology advisory committee to assist in the development  
36 and implementation of the technology plan in subsection (1) of this  
37 section. The committee shall include, but is not limited to, persons

1 representing: The department of information services, educational  
2 service districts, school directors, school administrators, school  
3 principals, teachers, classified staff, higher education faculty,  
4 parents, students, business, labor, scientists and mathematicians,  
5 (~~the higher education coordinating board,~~) the workforce training and  
6 education coordinating board, and the state library.

7 (3) The plan adopted and implemented under this section may not  
8 impose on school districts any requirements that are not specifically  
9 required by federal law or regulation, including requirements to  
10 maintain eligibility for the federal schools and libraries program of  
11 the universal service fund.

12 **Sec. 133.** RCW 28A.660.050 and 2010 c 235 s 505 are each amended to  
13 read as follows:

14 Subject to the availability of amounts appropriated for these  
15 purposes, the conditional scholarship programs in this chapter are  
16 created under the following guidelines:

17 (1) The programs shall be administered by the (~~higher education~~  
18 ~~coordinating board~~) office of student financial assistance. In  
19 administering the programs, the (~~higher education coordinating board~~)  
20 office has the following powers and duties:

21 (a) To adopt necessary rules and develop guidelines to administer  
22 the programs;

23 (b) To collect and manage repayments from participants who do not  
24 meet their service obligations; and

25 (c) To accept grants and donations from public and private sources  
26 for the programs.

27 (2) Requirements for participation in the conditional scholarship  
28 programs are as provided in this subsection (2).

29 (a) The alternative route conditional scholarship program is  
30 limited to interns of professional educator standards board-approved  
31 alternative routes to teaching programs under RCW 28A.660.040. For  
32 fiscal year 2011, priority must be given to fiscal year 2010  
33 participants in the alternative route partnership program. In order to  
34 receive conditional scholarship awards, recipients shall:

35 (i) Be accepted and maintain enrollment in alternative  
36 certification routes through a professional educator standards board-  
37 approved program;

1 (ii) Continue to make satisfactory progress toward completion of  
2 the alternative route certification program and receipt of a residency  
3 teaching certificate; and

4 (iii) Receive no more than the annual amount of the scholarship,  
5 not to exceed eight thousand dollars, for the cost of tuition, fees,  
6 and educational expenses, including books, supplies, and transportation  
7 for the alternative route certification program in which the recipient  
8 is enrolled. The board may adjust the annual award by the average rate  
9 of resident undergraduate tuition and fee increases at the state  
10 universities as defined in RCW 28B.10.016.

11 (b) The pipeline for paraeducators conditional scholarship program  
12 is limited to qualified paraeducators as provided by RCW 28A.660.042.  
13 In order to receive conditional scholarship awards, recipients shall:

14 (i) Be accepted and maintain enrollment at a community and  
15 technical college for no more than two years and attain an associate of  
16 arts degree;

17 (ii) Continue to make satisfactory progress toward completion of an  
18 associate of arts degree. This progress requirement is a condition for  
19 eligibility into a route one program of the alternative routes to  
20 teacher certification program for a mathematics, special education, or  
21 English as a second language endorsement; and

22 (iii) Receive no more than the annual amount of the scholarship,  
23 not to exceed four thousand dollars, for the cost of tuition, fees, and  
24 educational expenses, including books, supplies, and transportation for  
25 the alternative route certification program in which the recipient is  
26 enrolled. The board may adjust the annual award by the average rate of  
27 tuition and fee increases at the state community and technical  
28 colleges.

29 (c) The retooling to teach mathematics and science conditional  
30 scholarship program is limited to current K-12 teachers. In order to  
31 receive conditional scholarship awards:

32 (i) Individuals currently employed as teachers shall pursue a  
33 middle level mathematics or science, or secondary mathematics or  
34 science endorsement; or

35 (ii) Individuals who are certificated with an elementary education  
36 endorsement shall pursue an endorsement in middle level mathematics or  
37 science, or both; and

1 (iii) Individuals shall use one of the pathways to endorsement  
2 processes to receive a mathematics or science endorsement, or both,  
3 which shall include passing a mathematics or science endorsement test,  
4 or both tests, plus observation and completing applicable coursework to  
5 attain the proper endorsement; and

6 (iv) Individuals shall receive no more than the annual amount of  
7 the scholarship, not to exceed three thousand dollars, for the cost of  
8 tuition, test fees, and educational expenses, including books,  
9 supplies, and transportation for the endorsement pathway being pursued.

10 (3) The Washington professional educator standards board shall  
11 select individuals to receive conditional scholarships. In selecting  
12 recipients, preference shall be given to eligible veterans or national  
13 guard members.

14 (4) For the purpose of this chapter, a conditional scholarship is  
15 a loan that is forgiven in whole or in part in exchange for service as  
16 a certificated teacher employed in a Washington state K-12 public  
17 school. The state shall forgive one year of loan obligation for every  
18 two years a recipient teaches in a public school. Recipients who fail  
19 to continue a course of study leading to residency teacher  
20 certification or cease to teach in a public school in the state of  
21 Washington in their endorsement area are required to repay the  
22 remaining loan principal with interest.

23 (5) Recipients who fail to fulfill the required teaching obligation  
24 are required to repay the remaining loan principal with interest and  
25 any other applicable fees. The (~~higher education coordinating board~~)  
26 office of student financial assistance shall adopt rules to define the  
27 terms for repayment, including applicable interest rates, fees, and  
28 deferments.

29 (6) The (~~higher education coordinating board~~) office of student  
30 financial assistance may deposit all appropriations, collections, and  
31 any other funds received for the program in this chapter in the future  
32 teachers conditional scholarship account authorized in RCW 28B.102.080.

33 **Sec. 134.** RCW 28B.04.080 and 2004 c 275 s 31 are each amended to  
34 read as follows:

35 (1) The board shall consult and cooperate with the department of  
36 social and health services; (~~the higher education coordinating~~  
37 ~~board~~;) the superintendent of public instruction; the workforce

1 training and education coordinating board; the employment security  
2 department; the department of labor and industries; sponsoring agencies  
3 under the federal comprehensive employment and training act (87 Stat.  
4 839; 29 U.S.C. Sec. 801 et seq.), and any other persons or agencies as  
5 the board deems appropriate to facilitate the coordination of centers  
6 established under this chapter with existing programs of a similar  
7 nature.

8 (2) Annually on July 1st, each agency listed in subsection (1) of  
9 this section shall submit a description of each service or program  
10 under its jurisdiction which would support the programs and centers  
11 established by this chapter and the funds available for such support.

12 (3) The board shall serve as a clearinghouse for displaced  
13 homemaker information and resources and shall compile and disseminate  
14 statewide information to the centers, related agencies, and interested  
15 persons upon request.

16 **Sec. 135.** RCW 28B.07.020 and 2007 c 218 s 86 are each amended to  
17 read as follows:

18 As used in this chapter, the following words and terms shall have  
19 the following meanings, unless the context otherwise requires:

20 (1) "Authority" means the Washington higher education facilities  
21 authority created under RCW 28B.07.030 or any board, body, commission,  
22 department or officer succeeding to the principal functions of the  
23 authority or to whom the powers conferred upon the authority shall be  
24 given by law.

25 (2) "Bonds" means bonds, notes, commercial paper, certificates of  
26 indebtedness, or other evidences of indebtedness of the authority  
27 issued under this chapter.

28 (3) "Bond resolution" means any resolution of the authority,  
29 adopted under this chapter, authorizing the issuance and sale of bonds.

30 (4) "Higher education institution" means a private, nonprofit  
31 educational institution, the main campus of which is permanently  
32 situated in the state, which is open to residents of the state, which  
33 neither restricts entry on racial or religious grounds, which provides  
34 programs of education beyond high school leading at least to the  
35 baccalaureate degree, and which is accredited by the Northwest  
36 Association of Schools and Colleges or by an accrediting association  
37 recognized by the council for higher education (~~(coordinating board)~~).

1 (5) "Participant" means a higher education institution which, under  
2 this chapter, undertakes the financing of a project or projects or  
3 undertakes the refunding or refinancing of obligations, mortgages, or  
4 advances previously incurred for a project or projects.

5 (6) "Project" means any land or any improvement, including, but not  
6 limited to, buildings, structures, fixtures, utilities, machinery,  
7 excavations, paving, and landscaping, and any interest in such land or  
8 improvements, and any personal property pertaining or useful to such  
9 land and improvements, which are necessary, useful, or convenient for  
10 the operation of a higher education institution, including but not  
11 limited to, the following: Dormitories or other multi-unit housing  
12 facilities for students, faculty, officers, or employees; dining halls;  
13 student unions; administration buildings; academic buildings;  
14 libraries; laboratories; research facilities; computer facilities;  
15 classrooms; athletic facilities; health care facilities; maintenance,  
16 storage, or utility facilities; parking facilities; or any combination  
17 thereof, or any other structures, facilities, or equipment so related.

18 (7) "Project cost" means any cost related to the acquisition,  
19 construction, improvement, alteration, or rehabilitation by a  
20 participant or the authority of any project and the financing of the  
21 project through the authority, including, but not limited to, the  
22 following costs paid or incurred: Costs of acquisition of land or  
23 interests in land and any improvement; costs of contractors, builders,  
24 laborers, material suppliers, and suppliers of tools and equipment;  
25 costs of surety and performance bonds; fees and disbursements of  
26 architects, surveyors, engineers, feasibility consultants, accountants,  
27 attorneys, financial consultants, and other professionals; interest on  
28 bonds issued by the authority during any period of construction;  
29 principal of and interest on interim financing of any project; debt  
30 service reserve funds; depreciation funds, costs of the initial start-  
31 up operation of any project; fees for title insurance, document  
32 recording, or filing; fees of trustees and the authority; taxes and  
33 other governmental charges levied or assessed on any project; and any  
34 other similar costs. Except as specifically set forth in this  
35 definition, the term "project cost" does not include books, fuel,  
36 supplies, and similar items which are required to be treated as a  
37 current expense under generally accepted accounting principles.

1 (8) "Trust indenture" means any agreement, trust indenture, or  
2 other similar instrument by and between the authority and one or more  
3 corporate trustees.

4 **Sec. 136.** RCW 28B.07.030 and 2007 c 36 s 14 are each amended to  
5 read as follows:

6 (1) The Washington higher education facilities authority is hereby  
7 established as a public body corporate and politic, with perpetual  
8 corporate succession, constituting an agency of the state of Washington  
9 exercising essential governmental functions. The authority is a  
10 "public body" within the meaning of RCW 39.53.010.

11 (2) The authority shall consist of (~~seven~~) six members as  
12 follows: The governor, lieutenant governor, (~~executive director of~~  
13 ~~the higher education coordinating board,~~) and four public members, one  
14 of whom shall be the president of a higher education institution at the  
15 time of appointment. The public members shall be residents of the  
16 state and appointed by the governor, subject to confirmation by the  
17 senate, on the basis of their interest or expertise in the provision of  
18 higher education and the financing of higher education. The public  
19 members of the authority shall serve for terms of four years. The  
20 initial terms of the public members shall be staggered in a manner  
21 determined by the governor. In the event of a vacancy on the authority  
22 due to death, resignation, or removal of one of the public members, and  
23 upon the expiration of the term of any public member, the governor  
24 shall appoint a successor for a term expiring on the fourth anniversary  
25 of the successor's date of the appointment. If any of the state  
26 offices are abolished, the resulting vacancy on the authority shall be  
27 filled by the state officer who shall succeed substantially to the  
28 power and duties of the abolished office. Any public member of the  
29 authority may be removed by the governor for misfeasance, malfeasance,  
30 (~~wilful~~) willful neglect of duty, or any other cause after notice and  
31 a public hearing, unless such notice and hearing shall be expressly  
32 waived in writing.

33 (3) The governor shall serve as chairperson of the authority. The  
34 authority shall elect annually one of its members as secretary. If the  
35 governor shall be absent from a meeting of the authority, the secretary  
36 shall preside. However, the governor may designate an employee of the  
37 governor's office to act on the governor's behalf in all other respects



1 during the absence of the governor at any meeting of the authority. If  
2 the designation is in writing and is presented to the person presiding  
3 at the meetings of the authority who is included in the designation,  
4 the vote of the designee has the same effect as if cast by the  
5 governor.

6 (4) Any person designated by resolution of the authority shall keep  
7 a record of the proceedings of the authority and shall be the custodian  
8 of all books, documents, and papers filed with the authority, the  
9 minute book or a journal of the authority, and the authority's official  
10 seal, if any. The person may cause copies to be made of all minutes  
11 and other records and documents of the authority, and may give  
12 certificates to the effect that such copies are true copies. All  
13 persons dealing with the authority may rely upon the certificates.

14 (5) Four members of the authority constitute a quorum. Members  
15 participating in a meeting through the use of any means of  
16 communication by which all members participating can hear each other  
17 during the meeting shall be deemed to be present in person at the  
18 meeting for all purposes. The authority may act on the basis of a  
19 motion except when authorizing the issuance and sale of bonds, in which  
20 case the authority shall act by resolution. Bond resolutions and other  
21 resolutions shall be adopted upon the affirmative vote of four members  
22 of the authority, and shall be signed by those members voting yes.  
23 Motions shall be adopted upon the affirmative vote of a majority of a  
24 quorum of members present at any meeting of the authority. All actions  
25 taken by the authority shall take effect immediately without need for  
26 publication or other public notice. A vacancy in the membership of the  
27 authority does not impair the power of the authority to act under this  
28 chapter.

29 (6) The members of the authority shall be compensated in accordance  
30 with RCW 43.03.240 and shall be entitled to reimbursement, solely from  
31 the funds of the authority, for travel expenses as determined by the  
32 authority incurred in the discharge of their duties under this chapter.

33 **Sec. 137.** RCW 28B.10.786 and 1993 sp.s. c 15 s 7 are each amended  
34 to read as follows:

35 It is the policy of the state of Washington that financial need not  
36 be a barrier to participation in higher education. It is also the  
37 policy of the state of Washington that the essential requirements level

1 budget calculation include funding for state student financial aid  
2 programs. The calculation should, at a minimum, include a funding  
3 level equal to the amount provided in the second year of the previous  
4 biennium in the omnibus appropriations act, adjusted for the percentage  
5 of needy resident students, by educational sector, likely to be  
6 included in any enrollment increases necessary to maintain, by  
7 educational sector, the participation rate funded in the 1993 fiscal  
8 year. The calculation should also be adjusted to reflect, by  
9 educational sector, any increases in cost of attendance. The cost of  
10 attendance figures should be calculated by the (~~higher education~~  
11 ~~coordinating board and provided to the~~) office of financial management  
12 and provided to the appropriate legislative committees by June 30th of  
13 each even-numbered year.

14 **Sec. 138.** RCW 28B.10.790 and 2004 c 275 s 44 are each amended to  
15 read as follows:

16 Washington residents attending any nonprofit college or university  
17 in another state which has a reciprocity agreement with the state of  
18 Washington shall be eligible for the student financial aid program  
19 outlined in chapter 28B.92 RCW if (1) they qualify as a "needy student"  
20 under RCW 28B.92.030(~~(+3)~~) (5), and (2) the institution attended is a  
21 member institution of an accrediting association recognized by rule of  
22 the (~~higher education coordinating board~~) office of student financial  
23 assistance for the purposes of this section and is specifically  
24 encompassed within or directly affected by such reciprocity agreement  
25 and agrees to and complies with program rules and regulations  
26 pertaining to such students and institutions adopted pursuant to RCW  
27 28B.92.150.

28 **Sec. 139.** RCW 28B.10.792 and 1985 c 370 s 55 are each amended to  
29 read as follows:

30 The (~~higher education coordinating board~~) office of student  
31 financial assistance shall develop guidelines for determining the  
32 conditions under which an institution can be determined to be directly  
33 affected by a reciprocity agreement for the purposes of RCW 28B.10.790:  
34 PROVIDED, That no institution shall be determined to be directly  
35 affected unless students from the county in which the institution is

1 located are provided, pursuant to a reciprocity agreement, access to  
2 Washington institutions at resident tuition and fee rates to the extent  
3 authorized by Washington law.

4 **Sec. 140.** RCW 28B.10.840 and 1985 c 370 s 57 are each amended to  
5 read as follows:

6 The term "institution of higher education" whenever used in RCW  
7 28B.10.840 through 28B.10.844, shall be held and construed to mean any  
8 public institution of higher education in Washington. The term  
9 "educational board" whenever used in RCW 28B.10.840 through 28B.10.844,  
10 shall be held and construed to mean the state board for community and  
11 technical colleges (~~(education and the higher education coordinating~~  
12 ~~board)~~)).

13 **Sec. 141.** RCW 28B.12.030 and 2002 c 187 s 2 are each amended to  
14 read as follows:

15 As used in this chapter, the following words and terms shall have  
16 the following meanings, unless the context shall clearly indicate  
17 another or different meaning or intent:

18 (1) The term "needy student" shall mean a student enrolled or  
19 accepted for enrollment at a (~~(post-secondary))~~ postsecondary  
20 institution who, according to a system of need analysis approved by the  
21 (~~(higher education coordinating board))~~ office of student financial  
22 assistance, demonstrates a financial inability, either parental,  
23 familial, or personal, to bear the total cost of education for any  
24 semester or quarter.

25 (2) The term "eligible institution" shall mean any (~~(post-~~  
26 ~~secondary))~~ postsecondary institution in this state accredited by the  
27 Northwest Association of Schools and Colleges, or a branch of a member  
28 institution of an accrediting association recognized by rule of the  
29 (~~(board))~~ council for higher education for purposes of this section,  
30 that is eligible for federal student financial aid assistance and has  
31 operated as a nonprofit college or university delivering on-site  
32 classroom instruction for a minimum of twenty consecutive years within  
33 the state of Washington, or any public technical college in the state.

34 **Sec. 142.** RCW 28B.12.040 and 2009 c 560 s 21 are each amended to  
35 read as follows:

1 The (~~higher education coordinating board~~) office of student  
2 financial assistance shall develop and administer the state work-study  
3 program. The board shall be authorized to enter into agreements with  
4 employers and eligible institutions for the operation of the program.  
5 These agreements shall include such provisions as the (~~higher~~  
6 ~~education coordinating board~~) office may deem necessary or appropriate  
7 to carry out the purposes of this chapter.

8 With the exception of off-campus community service placements, the  
9 share from moneys disbursed under the state work-study program of the  
10 compensation of students employed under such program in accordance with  
11 such agreements shall not exceed eighty percent of the total such  
12 compensation paid such students.

13 By rule, the (~~board~~) office shall define community service  
14 placements and may determine any salary matching requirements for any  
15 community service employers.

16 **Sec. 143.** RCW 28B.12.050 and 1994 c 130 s 5 are each amended to  
17 read as follows:

18 The (~~higher education coordinating board~~) office of student  
19 financial assistance shall disburse state work-study funds. In  
20 performing its duties under this section, the (~~board~~) office shall  
21 consult eligible institutions and (~~post-secondary~~) postsecondary  
22 education advisory and governing bodies. The (~~board~~) office shall  
23 establish criteria designed to achieve such distribution of assistance  
24 under this chapter among students attending eligible institutions as  
25 will most effectively carry out the purposes of this chapter.

26 **Sec. 144.** RCW 28B.12.055 and 2009 c 215 s 12 are each amended to  
27 read as follows:

28 (1) Within existing resources, the (~~higher education coordinating~~  
29 ~~board~~) office of student financial assistance shall establish the  
30 work-study opportunity grant for high-demand occupations, a competitive  
31 grant program to encourage job placements in high-demand fields. The  
32 (~~board~~) office shall award grants to eligible institutions of higher  
33 education that have developed a partnership with a proximate  
34 organization willing to host work-study placements. Partner  
35 organizations may be nonprofit organizations, for-profit firms, or  
36 public agencies. Eligible institutions of higher education must verify

1 that all job placements will last for a minimum of one academic quarter  
2 or one academic semester, depending on the system used by the eligible  
3 institution of higher education.

4 (2) The (~~board~~) office may adopt rules to identify high-demand  
5 fields for purposes of this section. The legislature recognizes that  
6 the high-demand fields identified by the (~~board~~) office may differ in  
7 different regions of the state.

8 (3) The (~~board~~) office may award grants to eligible institutions  
9 of higher education that cover both student wages and program  
10 administration.

11 (4) The (~~board~~) office shall develop performance benchmarks  
12 regarding program success including, but not limited to, the number of  
13 students served, the amount of employer contributions, and the number  
14 of participating high-demand employers.

15 **Sec. 145.** RCW 28B.12.060 and 2009 c 172 s 1 are each amended to  
16 read as follows:

17 The (~~higher education coordinating board~~) office of student  
18 financial assistance shall adopt rules as may be necessary or  
19 appropriate for effecting the provisions of this chapter, and not in  
20 conflict with this chapter, in accordance with the provisions of  
21 chapter 34.05 RCW, the (~~state higher education~~) administrative  
22 procedure act. Such rules shall include provisions designed to make  
23 employment under the work-study program reasonably available, to the  
24 extent of available funds, to all eligible needy students in eligible  
25 postsecondary institutions. The rules shall include:

26 (1) Providing work under the state work-study program that will not  
27 result in the displacement of employed workers or impair existing  
28 contracts for services;

29 (2) Furnishing work only to a student who:

30 (a) Is capable, in the opinion of the eligible institution, of  
31 maintaining good standing in such course of study while employed under  
32 the program covered by the agreement; and

33 (b) Has been accepted for enrollment as at least a half-time  
34 student at the eligible institution or, in the case of a student  
35 already enrolled in and attending the eligible institution, is in good  
36 standing and in at least half-time attendance there either as an  
37 undergraduate, graduate or professional student; and

1 (c) Is not pursuing a degree in theology;  
2 (3) Placing priority on providing:  
3 (a) Work opportunities for students who are residents of the state  
4 of Washington as defined in RCW 28B.15.012 and 28B.15.013, particularly  
5 former foster youth as defined in RCW 28B.92.060;  
6 (b) Job placements in fields related to each student's academic or  
7 vocational pursuits, with an emphasis on off-campus job placements  
8 whenever appropriate; and  
9 (c) Off-campus community service placements;  
10 (4) To the extent practicable, limiting the proportion of state  
11 subsidy expended upon nonresident students to fifteen percent, or such  
12 less amount as specified in the biennial appropriations act;  
13 (5) Provisions to assure that in the state institutions of higher  
14 education, utilization of this work-study program:  
15 (a) Shall only supplement and not supplant classified positions  
16 under jurisdiction of chapter 41.06 RCW;  
17 (b) That all positions established which are comparable shall be  
18 identified to a job classification under the director of personnel's  
19 classification plan and shall receive equal compensation;  
20 (c) Shall not take place in any manner that would replace  
21 classified positions reduced due to lack of funds or work; and  
22 (d) That work study positions shall only be established at entry  
23 level positions of the classified service unless the overall scope and  
24 responsibilities of the position indicate a higher level; and  
25 (6) Provisions to encourage job placements in high employer demand  
26 occupations that meet Washington's economic development goals,  
27 including those in international trade and international relations.  
28 The ((~~board~~)) office shall permit appropriate job placements in other  
29 states and other countries.

30 **Sec. 146.** RCW 28B.12.070 and 1994 c 130 s 7 are each amended to  
31 read as follows:

32 Each eligible institution shall submit to the ((~~higher education~~  
33 ~~coordinating board~~)) office of student financial assistance an annual  
34 report in accordance with such requirements as are adopted by the  
35 board.

1       **Sec. 147.** RCW 28B.15.012 and 2010 c 183 s 1 are each amended to  
2 read as follows:

3       Whenever used in this chapter:

4       (1) The term "institution" shall mean a public university, college,  
5 or community college within the state of Washington.

6       (2) The term "resident student" shall mean:

7       (a) A financially independent student who has had a domicile in the  
8 state of Washington for the period of one year immediately prior to the  
9 time of commencement of the first day of the semester or quarter for  
10 which the student has registered at any institution and has in fact  
11 established a bona fide domicile in this state primarily for purposes  
12 other than educational;

13       (b) A dependent student, if one or both of the student's parents or  
14 legal guardians have maintained a bona fide domicile in the state of  
15 Washington for at least one year immediately prior to commencement of  
16 the semester or quarter for which the student has registered at any  
17 institution;

18       (c) A student classified as a resident based upon domicile by an  
19 institution on or before May 31, 1982, who was enrolled at a state  
20 institution during any term of the 1982-1983 academic year, so long as  
21 such student's enrollment (excepting summer sessions) at an institution  
22 in this state is continuous;

23       (d) Any student who has spent at least seventy-five percent of both  
24 his or her junior and senior years in high schools in this state, whose  
25 parents or legal guardians have been domiciled in the state for a  
26 period of at least one year within the five-year period before the  
27 student graduates from high school, and who enrolls in a public  
28 institution of higher education within six months of leaving high  
29 school, for as long as the student remains continuously enrolled for  
30 three quarters or two semesters in any calendar year;

31       (e) Any person who has completed the full senior year of high  
32 school and obtained a high school diploma, both at a Washington public  
33 high school or private high school approved under chapter 28A.195 RCW,  
34 or a person who has received the equivalent of a diploma; who has lived  
35 in Washington for at least three years immediately prior to receiving  
36 the diploma or its equivalent; who has continuously lived in the state  
37 of Washington after receiving the diploma or its equivalent and until  
38 such time as the individual is admitted to an institution of higher

1 education under subsection (1) of this section; and who provides to the  
2 institution an affidavit indicating that the individual will file an  
3 application to become a permanent resident at the earliest opportunity  
4 the individual is eligible to do so and a willingness to engage in any  
5 other activities necessary to acquire citizenship, including but not  
6 limited to citizenship or civics review courses;

7 (f) Any person who has lived in Washington, primarily for purposes  
8 other than educational, for at least one year immediately before the  
9 date on which the person has enrolled in an institution, and who holds  
10 lawful nonimmigrant status pursuant to 8 U.S.C. Sec. (a)(15) (E)(iii),  
11 (H)(i), or (L), or who holds lawful nonimmigrant status as the spouse  
12 or child of a person having nonimmigrant status under one of those  
13 subsections, or who, holding or having previously held such lawful  
14 nonimmigrant status as a principal or derivative, has filed an  
15 application for adjustment of status pursuant to 8 U.S.C. Sec. 1255(a);

16 (g) A student who is on active military duty stationed in the state  
17 or who is a member of the Washington national guard;

18 (h) A student who is the spouse or a dependent of a person who is  
19 on active military duty stationed in the state. If the person on  
20 active military duty is reassigned out-of-state, the student maintains  
21 the status as a resident student so long as the student is continuously  
22 enrolled in a degree program;

23 (i) A student who resides in the state of Washington and is the  
24 spouse or a dependent of a person who is a member of the Washington  
25 national guard;

26 (j) A student of an out-of-state institution of higher education  
27 who is attending a Washington state institution of higher education  
28 pursuant to a home tuition agreement as described in RCW 28B.15.725;

29 (k) A student who meets the requirements of RCW 28B.15.0131:  
30 PROVIDED, That a nonresident student enrolled for more than six hours  
31 per semester or quarter shall be considered as attending for primarily  
32 educational purposes, and for tuition and fee paying purposes only such  
33 period of enrollment shall not be counted toward the establishment of  
34 a bona fide domicile of one year in this state unless such student  
35 proves that the student has in fact established a bona fide domicile in  
36 this state primarily for purposes other than educational;

37 (l) A student who resides in Washington and is on active military



1 duty stationed in the Oregon counties of Columbia, Gilliam, Hood River,  
2 Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union,  
3 Wallowa, Wasco, or Washington; or

4 (m) A student who resides in Washington and is the spouse or a  
5 dependent of a person who resides in Washington and is on active  
6 military duty stationed in the Oregon counties of Columbia, Gilliam,  
7 Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla,  
8 Union, Wallowa, Wasco, or Washington. If the person on active military  
9 duty moves from Washington or is reassigned out of the Oregon counties  
10 of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas,  
11 Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington, the  
12 student maintains the status as a resident student so long as the  
13 student resides in Washington and is continuously enrolled in a degree  
14 program.

15 (3) The term "nonresident student" shall mean any student who does  
16 not qualify as a "resident student" under the provisions of this  
17 section and RCW 28B.15.013. Except for students qualifying under  
18 subsection (2)(e) or (j) of this section, a nonresident student shall  
19 include:

20 (a) A student attending an institution with the aid of financial  
21 assistance provided by another state or governmental unit or agency  
22 thereof, such nonresidency continuing for one year after the completion  
23 of such semester or quarter.

24 (b) A person who is not a citizen of the United States of America  
25 who does not have permanent or temporary resident status or does not  
26 hold "Refugee-Parolee" or "Conditional Entrant" status with the United  
27 States (~~(citizen and)~~) citizenship immigration services or is not  
28 otherwise permanently residing in the United States under color of law  
29 and who does not also meet and comply with all the applicable  
30 requirements in this section and RCW 28B.15.013.

31 (4) The term "domicile" shall denote a person's true, fixed and  
32 permanent home and place of habitation. It is the place where the  
33 student intends to remain, and to which the student expects to return  
34 when the student leaves without intending to establish a new domicile  
35 elsewhere. The burden of proof that a student, parent or guardian has  
36 established a domicile in the state of Washington primarily for  
37 purposes other than educational lies with the student.

1 (5) The term "dependent" shall mean a person who is not financially  
2 independent. Factors to be considered in determining whether a person  
3 is financially independent shall be set forth in rules (~~and~~  
4 ~~regulations~~) adopted by the (~~higher education coordinating board~~)  
5 office of student financial assistance and shall include, but not be  
6 limited to, the state and federal income tax returns of the person  
7 and/or the student's parents or legal guardian filed for the calendar  
8 year prior to the year in which application is made and such other  
9 evidence as the board may require.

10 (6) The term "active military duty" means the person is serving on  
11 active duty in:

12 (a) The armed forces of the United States government; or

13 (b) The Washington national guard; or

14 (c) The coast guard, merchant mariners, or other nonmilitary  
15 organization when such service is recognized by the United States  
16 government as equivalent to service in the armed forces.

17 **Sec. 148.** RCW 28B.15.013 and 1989 c 175 s 79 are each amended to  
18 read as follows:

19 (1) The establishment of a new domicile in the state of Washington  
20 by a person formerly domiciled in another state has occurred if such  
21 person is physically present in Washington primarily for purposes other  
22 than educational and can show satisfactory proof that such person is  
23 without a present intention to return to such other state or to acquire  
24 a domicile at some other place outside of Washington.

25 (2) Unless proven to the contrary it shall be presumed that:

26 (a) The domicile of any person shall be determined according to the  
27 individual's situation and circumstances rather than by marital status  
28 or sex.

29 (b) A person does not lose a domicile in the state of Washington by  
30 reason of residency in any state or country while a member of the civil  
31 or military service of this state or of the United States, nor while  
32 engaged in the navigation of the waters of this state or of the United  
33 States or of the high seas if that person returns to the state of  
34 Washington within one year of discharge from said service with the  
35 intent to be domiciled in the state of Washington; any resident  
36 dependent student who remains in this state when such student's  
37 parents, having theretofore been domiciled in this state for a period

1 of one year immediately prior to the time of commencement of the first  
2 day of the semester or quarter for which the student has registered at  
3 any institution, remove from this state, shall be entitled to continued  
4 classification as a resident student so long as such student's  
5 attendance (except summer sessions) at an institution in this state is  
6 continuous.

7 (3) To aid the institution in deciding whether a student, parent,  
8 legally appointed guardian or the person having legal custody of a  
9 student is domiciled in the state of Washington primarily for purposes  
10 other than educational, the rules and regulations adopted by the  
11 (~~higher education coordinating board~~) office of student financial  
12 assistance shall include but not be limited to the following:

13 (a) Registration or payment of Washington taxes or fees on a motor  
14 vehicle, mobile home, travel trailer, boat, or any other item of  
15 personal property owned or used by the person for which state  
16 registration or the payment of a state tax or fee is required will be  
17 a factor in considering evidence of the establishment of a Washington  
18 domicile.

19 (b) Permanent full time employment in Washington by a person will  
20 be a factor in considering the establishment of a Washington domicile.

21 (c) Registration to vote for state officials in Washington will be  
22 a factor in considering the establishment of a Washington domicile.

23 (4) After a student has registered at an institution such student's  
24 classification shall remain unchanged in the absence of satisfactory  
25 evidence to the contrary. A student wishing to apply for a change in  
26 classification shall reduce such evidence to writing and file it with  
27 the institution. In any case involving an application for a change  
28 from nonresident to resident status, the burden of proof shall rest  
29 with the applicant. Any change in classification, either nonresident  
30 to resident, or the reverse, shall be based upon written evidence  
31 maintained in the files of the institution and, if approved, shall take  
32 effect the semester or quarter such evidence was filed with the  
33 institution: PROVIDED, That applications for a change in  
34 classification shall be accepted up to the thirtieth calendar day  
35 following the first day of instruction of the quarter or semester for  
36 which application is made.

1       **Sec. 149.** RCW 28B.15.015 and 1985 c 370 s 64 are each amended to  
2 read as follows:

3       The (~~higher education coordinating board, upon consideration of~~  
4 ~~advice from representatives of the~~) state's institutions, with the  
5 advice of the attorney general, shall adopt rules and regulations to be  
6 used by the state's institutions for determining a student's resident  
7 and nonresident status and for recovery of fees for improper  
8 classification of residency.

9       **Sec. 150.** RCW 28B.15.100 and 2011 c 274 s 5 are each amended to  
10 read as follows:

11       (1) The governing boards of the state universities, the regional  
12 universities, The Evergreen State College, and the community colleges  
13 shall charge to and collect from each of the students registering at  
14 the particular institution for any quarter or semester such tuition  
15 fees and services and activities fees, and other fees as such board  
16 shall in its discretion determine. For the governing boards of the  
17 state universities, the regional universities, and The Evergreen State  
18 College, the total of all fees shall be rounded to the nearest whole  
19 dollar amount: PROVIDED, That such tuition fees shall be established  
20 in accordance with RCW 28B.15.067.

21       (2) Part-time students shall be charged tuition and services and  
22 activities fees proportionate to full-time student rates established  
23 for residents and nonresidents: PROVIDED, That except for students  
24 registered at community colleges, students registered for fewer than  
25 two credit hours shall be charged tuition and services and activities  
26 fees at the rate established for two credit hours: PROVIDED FURTHER,  
27 That, subject to the limitations of RCW 28B.15.910, residents of Idaho  
28 or Oregon who are enrolled in community college district number twenty  
29 for six or fewer credits during any quarter or semester may be exempted  
30 from payment of all or a portion of the nonresident tuition fees  
31 differential upon a declaration by the (~~higher education coordinating~~  
32 ~~board~~) office of student financial assistance that it finds Washington  
33 residents from the community college district are afforded  
34 substantially equivalent treatment by such other states.

35       (3) Full-time students registered for more than eighteen credit  
36 hours shall be charged an additional operating fee for each credit hour  
37 in excess of eighteen hours at the applicable established per credit

1 hour tuition fee rate for part-time students: PROVIDED, That, subject  
2 to the limitations of RCW 28B.15.910, the governing boards of the state  
3 universities and the community colleges may exempt all or a portion of  
4 the additional charge, for students who are registered exclusively in  
5 first professional programs in medicine, dental medicine, veterinary  
6 medicine, doctor of pharmacy, or law, or who are registered exclusively  
7 in required courses in vocational preparatory programs.

8 **Sec. 151.** RCW 28B.15.543 and 2004 c 275 s 49 are each amended to  
9 read as follows:

10 (1) Subject to the limitations of RCW 28B.15.910, the governing  
11 boards of the state universities, the regional universities, The  
12 Evergreen State College, and the community colleges shall waive tuition  
13 and service and activities fees for students named by the (~~higher~~  
14 ~~education coordinating board~~) office of student financial assistance  
15 on or before June 30, 1994, as recipients of the Washington scholars  
16 award under RCW 28A.600.100 through 28A.600.150. The waivers shall be  
17 used only for undergraduate studies. To qualify for the waiver,  
18 recipients shall enter the college or university within three years of  
19 high school graduation and maintain a minimum grade point average at  
20 the college or university equivalent to 3.30. Students shall be  
21 eligible to receive a maximum of twelve quarters or eight semesters of  
22 waivers and may transfer among state-supported institutions of higher  
23 education during that period and continue to have the tuition and  
24 services and activities fees waived by the state-supported institution  
25 of higher education that the student attends. Should the student's  
26 cumulative grade point average fall below 3.30 during the first three  
27 quarters or two semesters, that student may petition the (~~higher~~  
28 ~~education coordinating board~~) office of student financial assistance  
29 which shall have the authority to establish a probationary period until  
30 such time as the student's grade point average meets required  
31 standards.

32 (2) Students named by the (~~higher education coordinating board~~)  
33 office of student financial assistance after June 30, 1994, as  
34 recipients of the Washington scholars award under RCW 28A.600.100  
35 through 28A.600.150 shall be eligible to receive a grant for  
36 undergraduate course work as authorized under RCW 28B.76.660.

1           **Sec. 152.** RCW 28B.15.732 and 1985 c 370 s 70 are each amended to  
2 read as follows:

3           Prior to January 1<sup>st</sup> of each odd-numbered year the ((~~higher~~  
4 ~~education coordinating board, in cooperation with the state board for~~  
5 ~~community college education, and~~)) office of student financial  
6 assistance, in consultation with appropriate agencies and officials in  
7 the state of Oregon, shall determine for the purposes of RCW 28B.15.730  
8 the number of students for whom nonresident tuition and fees have been  
9 waived for the first academic year of the biennium and the fall term of  
10 the second academic year, and make an estimate of the number of such  
11 students for the remainder of the second academic year, and the  
12 difference between the aggregate amount of tuition and fees that would  
13 have been paid to the respective states by residents of the other state  
14 had such waivers not been made, and the aggregate amount of tuition and  
15 fees paid by residents of the other state. Should the ((~~board~~)) office  
16 of student financial assistance determine that the state of Oregon has  
17 experienced a greater net tuition and fee revenue loss than  
18 institutions in Washington, it shall pay from funds appropriated for  
19 this purpose to the appropriate agency or institutions in Oregon an  
20 amount determined by subtracting the net tuition and fee revenue loss  
21 of Washington from the net tuition and fee revenue loss of Oregon,  
22 minus twenty-five thousand dollars for each year of the biennium:  
23 PROVIDED, That appropriate officials in the state of Oregon agree to  
24 make similar restitution to the state of Washington should the net  
25 tuition and fee revenue loss in Washington be greater than that in  
26 Oregon.

27           **Sec. 153.** RCW 28B.15.752 and 1985 c 370 s 74 are each amended to  
28 read as follows:

29           Prior to January 1<sup>st</sup> of each odd-numbered year, the ((~~higher~~  
30 ~~education coordinating board, in cooperation with the state board for~~  
31 ~~community college education and~~)) office of student financial  
32 assistance in consultation with appropriate agencies and officials in  
33 the state of Idaho, shall determine for the purposes of RCW 28B.15.750  
34 the number of students for whom nonresident tuition and fees have been  
35 waived for the first academic year of the biennium and the fall term of  
36 the second academic year, and make an estimate of the number of such  
37 students for the remainder of the second academic year, and the

1 difference between the aggregate amount of tuition and fees that would  
2 have been paid to the respective states by residents of the other state  
3 had such waivers not been made, and the aggregate amount of tuition and  
4 fees paid by residents of the other state. Should the (~~board~~) office  
5 of student financial assistance determine that the state of Idaho has  
6 experienced a greater net tuition and fee revenue loss than  
7 institutions in Washington, it shall pay from funds appropriated for  
8 this purpose to the appropriate agency or institution in Idaho an  
9 amount determined by subtracting the net tuition and fee revenue loss  
10 of Washington from the net tuition and fee revenue loss of Idaho, minus  
11 twenty-five thousand dollars for each year of the biennium if the  
12 appropriate officials in the state of Idaho agree to make similar  
13 restitution to the state of Washington should the net tuition and fee  
14 revenue loss in Washington be greater than that in Idaho.

15 **Sec. 154.** RCW 28B.15.760 and 2004 c 275 s 65 are each amended to  
16 read as follows:

17 Unless the context clearly requires otherwise, the definitions in  
18 this section apply throughout RCW 28B.15.762 and 28B.15.764.

19 (1) "Institution of higher education" or "institution" means a  
20 college or university in the state of Washington which is a member  
21 institution of an accrediting association recognized as such by rule of  
22 the higher education coordinating board.

23 (2) "Board" means the higher education coordinating board.

24 (3) "Eligible student" means a student registered for at least ten  
25 credit hours or the equivalent and demonstrates achievement of a 3.00  
26 grade point average for each academic year, who is a resident student  
27 as defined by RCW 28B.15.012 through 28B.15.015, who is a "needy  
28 student" as defined in RCW 28B.92.030, and who has a declared major in  
29 a program leading to a degree in teacher education in a field of  
30 science or mathematics, or a certificated teacher who meets the same  
31 credit hour and "needy student" requirements and is seeking an  
32 additional degree in science or mathematics.

33 (4) "Public school" means a middle school, junior high school, or  
34 high school within the public school system referred to in Article IX  
35 of the state Constitution.

36 (5) "Forgiven" or "to forgive" means to collect service as a

1 teacher in a field of science or mathematics at a public school in the  
2 state of Washington in lieu of monetary payment.

3 (6) "Satisfied" means paid-in-full.

4 (7) "Borrower" means an eligible student who has received a loan  
5 under RCW 28B.15.762.

6 (8) "Office" means the office of student financial assistance.

7 **Sec. 155.** RCW 28B.15.762 and 1996 c 107 s 2 are each amended to  
8 read as follows:

9 (1) The ((~~board~~)) office may make long-term loans to eligible  
10 students at institutions of higher education from the funds  
11 appropriated to the ((~~board~~)) office for this purpose. The amount of  
12 any such loan shall not exceed the demonstrated financial need of the  
13 student or two thousand five hundred dollars for each academic year  
14 whichever is less, and the total amount of such loans to an eligible  
15 student shall not exceed ten thousand dollars. The interest rates and  
16 terms of deferral of such loans shall be consistent with the terms of  
17 the guaranteed loan program established by 20 U.S.C. Sec. 1701 et seq.  
18 The period for repaying the loan principal and interest shall be ten  
19 years with payments accruing quarterly commencing nine months from the  
20 date the borrower graduated. The entire principal and interest of each  
21 loan payment shall be forgiven for each payment period in which the  
22 borrower teaches science or mathematics in a public school in this  
23 state until the entire loan is satisfied or the borrower ceases to  
24 teach science or mathematics at a public school in this state. Should  
25 the borrower cease to teach science or mathematics at a public school  
26 in this state before the time in which the principal and interest on  
27 the loan are satisfied, payments on the unsatisfied portion of the  
28 principal and interest on the loan shall begin the next payment period  
29 and continue until the remainder of the loan is paid.

30 (2) The ((~~board~~)) office is responsible for collection of loans  
31 made under subsection (1) of this section and shall exercise due  
32 diligence in such collection, maintaining all necessary records to  
33 insure that maximum repayments are made. Collection and servicing of  
34 loans under subsection (1) of this section shall be pursued using the  
35 full extent of the law, including wage garnishment if necessary, and  
36 shall be performed by entities approved for such servicing by the  
37 Washington student loan guaranty association or its successor agency.



1 The board is responsible to forgive all or parts of such loans under  
2 the criteria established in subsection (1) of this section and shall  
3 maintain all necessary records of forgiven payments.

4 (3) Receipts from the payment of principal or interest or any other  
5 subsidies to which the board as lender is entitled, which are paid by  
6 or on behalf of borrowers under subsection (1) of this section, shall  
7 be deposited with the (~~higher education coordinating board~~) office  
8 and shall be used to cover the costs of making the loans under  
9 subsection (1) of this section, maintaining necessary records, and  
10 making collections under subsection (2) of this section. The (~~board~~)  
11 office shall maintain accurate records of these costs, and all receipts  
12 beyond those necessary to pay such costs shall be used to make loans to  
13 eligible students.

14 (4) Any funds not used to make loans, or to cover the cost of  
15 making loans or making collections, shall be placed in the state  
16 educational trust fund for needy or disadvantaged students.

17 (5) The (~~board~~) office shall adopt necessary rules to implement  
18 this section.

19 **Sec. 156.** RCW 28B.50.272 and 2007 c 277 s 102 are each amended to  
20 read as follows:

21 (1) To be eligible for participation in the opportunity grant  
22 program established in RCW 28B.50.271, a student must:

23 (a) Be a Washington resident student as defined in RCW 28B.15.012  
24 enrolled in an opportunity grant-eligible program of study;

25 (b) Have a family income that is at or below two hundred percent of  
26 the federal poverty level using the most current guidelines available  
27 from the United States department of health and human services, and be  
28 determined to have financial need based on the free application for  
29 federal student aid; and

30 (c) Meet such additional selection criteria as the college board  
31 shall establish in order to operate the program within appropriated  
32 funding levels.

33 (2) Upon enrolling, the student must provide evidence of commitment  
34 to complete the program. The student must make satisfactory progress  
35 and maintain a cumulative 2.0 grade point average for continued  
36 eligibility. If a student's cumulative grade point average falls below  
37 2.0, the student may petition the institution of higher education of

1 attendance. The qualified institution of higher education has the  
2 authority to establish a probationary period until such time as the  
3 student's grade point average reaches required standards.

4 (3) Subject to funds appropriated for this specific purpose, public  
5 qualified institutions of higher education shall receive an enhancement  
6 of one thousand five hundred dollars for each full-time equivalent  
7 student enrolled in the opportunity grant program whose income is below  
8 two hundred percent of the federal poverty level. The funds shall be  
9 used for individualized support services which may include, but are not  
10 limited to, college and career advising, tutoring, emergency child  
11 care, and emergency transportation. The qualified institution of  
12 higher education is expected to help students access all financial  
13 resources and support services available to them through alternative  
14 sources.

15 (4) The college board shall be accountable for student retention  
16 and completion of opportunity grant-eligible programs of study. It  
17 shall set annual performance measures and targets and monitor the  
18 performance at all qualified institutions of higher education. The  
19 college board must reduce funding at institutions of higher education  
20 that do not meet targets for two consecutive years, based on criteria  
21 developed by the college board.

22 (5) The college board and (~~higher education coordinating board~~)  
23 office of student financial assistance shall work together to ensure  
24 that students participating in the opportunity grant program are  
25 informed of all other state and federal financial aid to which they may  
26 be entitled while receiving an opportunity grant.

27 (6) The college board and (~~higher education coordinating board~~)  
28 office of student financial assistance shall document the amount of  
29 opportunity grant assistance and the types and amounts of other sources  
30 of financial aid received by participating students. Annually, they  
31 shall produce a summary of the data.

32 (7) The college board shall:

33 (a) Begin developing the program no later than August 1, 2007, with  
34 student enrollment to begin no later than January 14, 2008; and

35 (b) Submit a progress report to the legislature by December 1,  
36 2008.

37 (8) The college board may, in implementing the opportunity grant  
38 program, accept, use, and expend or dispose of contributions of money,

1 services, and property. All such moneys received by the college board  
2 for the program must be deposited in an account at a depository  
3 approved by the state treasurer. Only the college board or a duly  
4 authorized representative thereof may authorize expenditures from this  
5 account. In order to maintain an effective expenditure and revenue  
6 control, the account is subject in all respects to chapter 43.88 RCW,  
7 but no appropriation is required to permit expenditure of moneys in the  
8 account.

9 **Sec. 157.** RCW 28B.92.020 and 2003 c 19 s 11 are each amended to  
10 read as follows:

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

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

19 (b) A goal that the base state need grant amount over time be  
20 increased to be equivalent to the rate of tuition charged to resident  
21 undergraduate students attending Washington state public colleges and  
22 universities;

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

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

28 (e) Institutional aid administrators be allowed to determine  
29 whether a student eligible for a state need grant in a given academic  
30 year may remain eligible for the ensuing year if the student's family  
31 income increases by no more than a marginal amount except for funds  
32 provided through the educational assistance grant program for students  
33 with dependents.

34 (2) The legislature further finds that the (~~higher education~~  
35 ~~coordinating board, under its authority to implement the proposed~~)  
36 changes in subsection (1) of this section, should do so in a timely  
37 manner.

1 (3) The legislature also finds that:

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

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

9 **Sec. 158.** RCW 28B.92.030 and 2009 c 238 s 7 and 2009 c 215 s 5 are  
10 each reenacted and amended to read as follows:

11 As used in this chapter:

12 (1) (~~("Board" means the higher education coordinating board.~~

13 ~~(2))~~) "Disadvantaged student" means a (~~(post-high))~~ posthigh school  
14 student who by reason of adverse cultural, educational, environmental,  
15 experiential, familial or other circumstances is unable to qualify for  
16 enrollment as a full-time student in an institution of higher  
17 education, who would otherwise qualify as a needy student, and who is  
18 attending an institution of higher education under an established  
19 program designed to qualify the student for enrollment as a full-time  
20 student.

21 ~~((3))~~) (2) "Financial aid" means loans and/or grants to needy  
22 students enrolled or accepted for enrollment as a student at  
23 institutions of higher education.

24 ~~((4))~~) (3) "Institution" or "institutions of higher education"  
25 means:

26 (a) Any public university, college, community college, or technical  
27 college operated by the state of Washington or any political  
28 subdivision thereof; or

29 (b) Any other university, college, school, or institute in the  
30 state of Washington offering instruction beyond the high school level  
31 which is a member institution of an accrediting association recognized  
32 by rule of the board for the purposes of this section: PROVIDED, That  
33 any institution, branch, extension or facility operating within the  
34 state of Washington which is affiliated with an institution operating  
35 in another state must be a separately accredited member institution of  
36 any such accrediting association, or a branch of a member institution  
37 of an accrediting association recognized by rule of the board for

1 purposes of this section, that is eligible for federal student  
2 financial aid assistance and has operated as a nonprofit college or  
3 university delivering on-site classroom instruction for a minimum of  
4 twenty consecutive years within the state of Washington, and has an  
5 annual enrollment of at least seven hundred full-time equivalent  
6 students: PROVIDED FURTHER, That no institution of higher education  
7 shall be eligible to participate in a student financial aid program  
8 unless it agrees to and complies with program rules and regulations  
9 adopted pursuant to RCW 28B.92.150.

10 ((+5)) (4) "Needy student" means a ((~~post-high~~)) posthigh school  
11 student of an institution of higher education who demonstrates to the  
12 board the financial inability, either through the student's parents,  
13 family and/or personally, to meet the total cost of board, room, books,  
14 and tuition and incidental fees for any semester or quarter. "Needy  
15 student" also means an opportunity internship graduate as defined by  
16 RCW 28C.18.162 who enrolls in a postsecondary program of study as  
17 defined in RCW 28C.18.162 within one year of high school graduation.

18 (5) "Office" means the office of student financial assistance.

19 (6) "Placebound student" means a student who (a) is unable to  
20 complete a college program because of family or employment commitments,  
21 health concerns, monetary inability, or other similar factors; and (b)  
22 may be influenced by the receipt of an enhanced student financial aid  
23 award to complete a baccalaureate degree at an eligible institution.

24 **Sec. 159.** RCW 28B.92.040 and 2004 c 275 s 36 are each amended to  
25 read as follows:

26 The ((~~board~~)) office shall be cognizant of the following guidelines  
27 in the performance of its duties:

28 (1) The ((~~board~~)) office shall be research oriented, not only at  
29 its inception but continually through its existence.

30 (2) The ((~~board~~)) office shall coordinate all existing programs of  
31 financial aid except those specifically dedicated to a particular  
32 institution by the donor.

33 (3) The ((~~board~~)) office shall take the initiative and  
34 responsibility for coordinating all federal student financial aid  
35 programs to ensure that the state recognizes the maximum potential  
36 effect of these programs, and shall design state programs that  
37 complement existing federal, state, and institutional programs. The

1 ((~~board~~)) office shall ensure that state programs continue to follow  
2 the principle that state financial aid funding follows the student to  
3 the student's choice of institution of higher education.

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

12 (5) The "package" approach of combining loans, grants and  
13 employment for student financial aid shall be the conceptual element of  
14 the state's involvement.

15 (6) The ((~~board~~)) office shall ensure that allocations of state  
16 appropriations for financial aid are made to individuals and  
17 institutions in a timely manner and shall closely monitor expenditures  
18 to avoid under or overexpenditure of appropriated funds.

19 **Sec. 160.** RCW 28B.92.050 and 1999 c 345 s 4 are each amended to  
20 read as follows:

21 The ((~~board~~)) office shall have the following powers and duties:

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

23 (a) Fulfilling educational aspirations of students of the state of  
24 Washington, and

25 (b) Improving the general, social, cultural, and economic character  
26 of the state.

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

32 (2) Design a state program of student financial aid based on the  
33 data of the study referred to in this section. The state programs will  
34 supplement available federal and local aid programs. The state  
35 programs of student financial aid will not exceed the difference  
36 between the budgetary costs of attending an institution of higher

1 education and the student's total resources, including family support,  
2 personal savings, employment, and federal, state, and local aid  
3 programs.

4 (3) Determine and establish criteria for financial need of the  
5 individual applicant based upon the consideration of that particular  
6 applicant. In making this determination the ((board)) office shall  
7 consider the following:

8 (a) Assets and income of the student.

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

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

13 (d) Any other criteria deemed relevant to the ((board)) office.

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

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

20 (6) Review the need and eligibility of all applications on an  
21 annual basis and adjust financial aid to reflect changes in the  
22 financial need of the recipients and the cost of attending the  
23 institution of higher education.

24 **Sec. 161.** RCW 28B.92.060 and 2009 c 215 s 4 are each amended to  
25 read as follows:

26 In awarding need grants, the ((board)) office shall proceed  
27 substantially as follows: PROVIDED, That nothing contained herein  
28 shall be construed to prevent the ((board)) office, in the exercise of  
29 its sound discretion, from following another procedure when the best  
30 interest of the program so dictates:

31 (1) The ((board)) office shall annually select the financial aid  
32 award recipients from among Washington residents applying for student  
33 financial aid who have been ranked according to:

34 (a) Financial need as determined by the amount of the family  
35 contribution; and

36 (b) Other considerations, such as whether the student is a former

1 foster youth, or is a placebound student who has completed an associate  
2 of arts or associate of science degree or its equivalent.

3 (2) The financial need of the highest ranked students shall be met  
4 by grants depending upon the evaluation of financial need until the  
5 total allocation has been disbursed. Funds from grants which are  
6 declined, forfeited or otherwise unused shall be reawarded until  
7 disbursed, except that eligible former foster youth shall be assured  
8 receipt of a grant.

9 (3) A student shall be eligible to receive a state need grant for  
10 up to five years, or the credit or clock hour equivalent of five years,  
11 or up to one hundred twenty-five percent of the published length of  
12 time of the student's program. A student may not start a new associate  
13 degree program as a state need grant recipient until at least five  
14 years have elapsed since earning an associate degree as a need grant  
15 recipient, except that a student may earn two associate degrees  
16 concurrently. Qualifications for renewal will include maintaining  
17 satisfactory academic progress toward completion of an eligible program  
18 as determined by the ((board)) office. Should the recipient terminate  
19 his or her enrollment for any reason during the academic year, the  
20 unused portion of the grant shall be returned to the state educational  
21 grant fund by the institution according to the institution's own policy  
22 for issuing refunds, except as provided in RCW 28B.92.070.

23 (4) In computing financial need, the ((board)) office shall  
24 determine a maximum student expense budget allowance, not to exceed an  
25 amount equal to the total maximum student expense budget at the public  
26 institutions plus the current average state appropriation per student  
27 for operating expense in the public institutions. Any child support  
28 payments received by students who are parents attending less than half-  
29 time shall not be used in computing financial need.

30 (5)(a) A student who is enrolled in three to six credit-bearing  
31 quarter credits, or the equivalent semester credits, may receive a  
32 grant for up to one academic year before beginning a program that leads  
33 to a degree or certificate.

34 (b) An eligible student enrolled on a less-than-full-time basis  
35 shall receive a prorated portion of his or her state need grant for any  
36 academic period in which he or she is enrolled on a less-than-full-time  
37 basis, as long as funds are available.



1 (c) An institution of higher education may award a state need grant  
2 to an eligible student enrolled in three to six credit-bearing quarter  
3 credits, or the semester equivalent, on a provisional basis if:

4 (i) The student has not previously received a state need grant from  
5 that institution;

6 (ii) The student completes the required free application for  
7 federal student aid;

8 (iii) The institution has reviewed the student's financial  
9 condition, and the financial condition of the student's family if the  
10 student is a dependent student, and has determined that the student is  
11 likely eligible for a state need grant; and

12 (iv) The student has signed a document attesting to the fact that  
13 the financial information provided on the free application for federal  
14 student aid and any additional financial information provided directly  
15 to the institution is accurate and complete, and that the student  
16 agrees to repay the institution for the grant amount if the student  
17 submitted false or incomplete information.

18 (6) As used in this section, "former foster youth" means a person  
19 who is at least eighteen years of age, but not more than twenty-four  
20 years of age, who was a dependent of the department of social and  
21 health services at the time he or she attained the age of eighteen.

22 **Sec. 162.** RCW 28B.92.084 and 2009 c 238 s 8 are each amended to  
23 read as follows:

24 (1) The (~~board~~) office shall work with institutions of higher  
25 education to assure that the institutions are aware of the eligibility  
26 of opportunity internship graduates for an award under this chapter.

27 (2) If an opportunity internship graduate enrolls within one year  
28 of high school graduation in a postsecondary program of study in an  
29 institution of higher education, including in an apprenticeship program  
30 with related and supplemental instruction provided through an  
31 institution of higher education, the graduate is eligible to receive a  
32 state need grant for up to one year. The graduate shall not be  
33 required to be enrolled on at least a half-time basis. The related and  
34 supplemental instruction provided to a graduate through an  
35 apprenticeship program shall not be required to lead to a degree or  
36 certificate.

1 (3) Except for the eligibility criteria for an opportunity  
2 internship graduate that are provided under this section, other rules  
3 pertaining to award of a state need grant apply.

4 (4) Nothing in this section precludes an opportunity internship  
5 graduate from being eligible to receive additional state need grants  
6 after the one-year grant provided in this section if the graduate meets  
7 other criteria as a needy or disadvantaged student.

8 **Sec. 163.** RCW 28B.92.120 and 2004 c 275 s 41 are each amended to  
9 read as follows:

10 Funds appropriated for student financial assistance to be granted  
11 pursuant to this chapter shall be disbursed as determined by the  
12 ((board)) office.

13 **Sec. 164.** RCW 28B.92.130 and 2004 c 275 s 42 are each amended to  
14 read as follows:

15 The ((board)) office shall be authorized to accept grants, gifts,  
16 bequests, and devises of real and personal property from any source for  
17 the purpose of granting financial aid in addition to that funded by the  
18 state.

19 **Sec. 165.** RCW 28B.92.140 and 1997 c 269 s 1 are each amended to  
20 read as follows:

21 The state educational trust fund is hereby established in the state  
22 treasury. The primary purpose of the trust is to pledge statewide  
23 available college student assistance to needy or disadvantaged  
24 students, especially middle and high school youth, considered at-risk  
25 of dropping out of secondary education who participate in  
26 ((board-)) approved early awareness and outreach programs and who enter  
27 any accredited Washington institution of postsecondary education within  
28 two years of high school graduation.

29 The ((board)) office shall deposit refunds and recoveries of  
30 student financial aid funds expended in prior fiscal periods in such  
31 account. The ((board)) office may also deposit moneys that have been  
32 contributed from other state, federal, or private sources.

33 Expenditures from the fund shall be for financial aid to needy or  
34 disadvantaged students. The ((board)) office may annually expend such  
35 sums from the fund as may be necessary to fulfill the purposes of this

1 section, including not more than three percent for the costs to  
2 administer aid programs supported by the fund. All earnings of  
3 investments of balances in the state educational trust fund shall be  
4 credited to the trust fund. Expenditures from the fund shall not be  
5 subject to appropriation but are subject to allotment procedures under  
6 chapter 43.88 RCW.

7 **Sec. 166.** RCW 28B.92.150 and 2004 c 275 s 43 are each amended to  
8 read as follows:

9 The (~~board~~) office shall adopt rules as may be necessary or  
10 appropriate for effecting the provisions of this chapter, in accordance  
11 with the provisions of chapter 34.05 RCW, the administrative procedure  
12 act.

13 **Sec. 167.** RCW 28B.95.020 and 2007 c 405 s 8 are each amended to  
14 read as follows:

15 The definitions in this section apply throughout this chapter,  
16 unless the context clearly requires otherwise.

17 (1) "Academic year" means the regular nine-month, three-quarter, or  
18 two-semester period annually occurring between August 1st and July  
19 31st.

20 (2) "Account" means the Washington advanced college tuition payment  
21 program account established for the deposit of all money received by  
22 the board from eligible purchasers and interest earnings on investments  
23 of funds in the account, as well as for all expenditures on behalf of  
24 eligible beneficiaries for the redemption of tuition units and for the  
25 development of any authorized college savings program pursuant to RCW  
26 28B.95.150.

27 (3) (~~"Board"~~) "Office" means the (~~(higher education coordinating~~  
28 ~~board)~~) office of student financial assistance as defined in chapter  
29 28B.76 RCW.

30 (4) "Committee on advanced tuition payment" or "committee" means a  
31 committee of the following members: The state treasurer, the director  
32 of the office of financial management, the (~~executive~~) director of  
33 the (~~higher education coordinating board~~) office, or their designees,  
34 and two members to be appointed by the governor, one representing  
35 program participants and one private business representative with  
36 marketing, public relations, or financial expertise.

1 (5) "Governing body" means the committee empowered by the  
2 legislature to administer the Washington advanced college tuition  
3 payment program.

4 (6) "Contractual obligation" means a legally binding contract of  
5 the state with the purchaser and the beneficiary establishing that  
6 purchases of tuition units will be worth the same number of tuition  
7 units at the time of redemption as they were worth at the time of the  
8 purchase.

9 (7) "Eligible beneficiary" means the person for whom the tuition  
10 unit will be redeemed for attendance at an institution of higher  
11 education. The beneficiary is that person named by the purchaser at  
12 the time that a tuition unit contract is accepted by the governing  
13 body. Qualified organizations, as allowed under section 529 of the  
14 federal internal revenue code, purchasing tuition unit contracts as  
15 future scholarships need not designate a beneficiary at the time of  
16 purchase.

17 (8) "Eligible purchaser" means an individual or organization that  
18 has entered into a tuition unit contract with the governing body for  
19 the purchase of tuition units for an eligible beneficiary. The state  
20 of Washington may be an eligible purchaser for purposes of purchasing  
21 tuition units to be held for granting Washington college bound  
22 scholarships.

23 (9) "Full-time tuition charges" means resident tuition charges at  
24 a state institution of higher education for enrollments between ten  
25 credits and eighteen credit hours per academic term.

26 (10) "Institution of higher education" means an institution that  
27 offers education beyond the secondary level and is recognized by the  
28 internal revenue service under chapter 529 of the internal revenue  
29 code.

30 (11) "Investment board" means the state investment board as defined  
31 in chapter 43.33A RCW.

32 (12) "State institution of higher education" means institutions of  
33 higher education as defined in RCW 28B.10.016.

34 (13) "Tuition and fees" means undergraduate tuition and services  
35 and activities fees as defined in RCW 28B.15.020 and 28B.15.041 rounded  
36 to the nearest whole dollar. For purposes of this chapter, services  
37 and activities fees do not include fees charged for the payment of

1 bonds heretofore or hereafter issued for, or other indebtedness  
2 incurred to pay, all or part of the cost of acquiring, constructing, or  
3 installing any lands, buildings, or facilities.

4 (14) "Tuition unit contract" means a contract between an eligible  
5 purchaser and the governing body, or a successor agency appointed for  
6 administration of this chapter, for the purchase of tuition units for  
7 a specified beneficiary that may be redeemed at a later date for an  
8 equal number of tuition units.

9 (15) "Unit purchase price" means the minimum cost to purchase one  
10 tuition unit for an eligible beneficiary. Generally, the minimum  
11 purchase price is one percent of the undergraduate tuition and fees for  
12 the current year, rounded to the nearest whole dollar, adjusted for the  
13 costs of administration and adjusted to ensure the actuarial soundness  
14 of the account. The analysis for price setting shall also include, but  
15 not be limited to consideration of past and projected patterns of  
16 tuition increases, program liability, past and projected investment  
17 returns, and the need for a prudent stabilization reserve.

18 **Sec. 168.** RCW 28B.95.025 and 2000 c 14 s 2 are each amended to  
19 read as follows:

20 The ((~~board~~)) office shall maintain appropriate offices and employ  
21 and fix compensation of such personnel as may be necessary to perform  
22 the advanced college tuition payment program duties. The ((~~board~~))  
23 office shall consult with the governing body on the selection,  
24 compensation, and other issues relating to the employment of the  
25 program director. The positions are exempt from classified service  
26 under chapter 41.06 RCW. The employees shall be employees of the  
27 ((~~higher education coordinating board~~)) office.

28 **Sec. 169.** RCW 28B.95.030 and 2005 c 272 s 2 are each amended to  
29 read as follows:

30 (1) The Washington advanced college tuition payment program shall  
31 be administered by the committee on advanced tuition payment which  
32 shall be chaired by the ((~~executive~~)) director of the ((~~board~~)) office.  
33 The committee shall be supported by staff of the ((~~board~~)) office.

34 (2)(a) The Washington advanced college tuition payment program  
35 shall consist of the sale of tuition units, which may be redeemed by

1 the beneficiary at a future date for an equal number of tuition units  
2 regardless of any increase in the price of tuition, that may have  
3 occurred in the interval.

4 (b) Each purchase shall be worth a specific number of or fraction  
5 of tuition units at each state institution of higher education as  
6 determined by the governing body.

7 (c) The number of tuition units necessary to pay for a full year's,  
8 full-time undergraduate tuition and fee charges at a state institution  
9 of higher education shall be set by the governing body at the time a  
10 purchaser enters into a tuition unit contract.

11 (d) The governing body may limit the number of tuition units  
12 purchased by any one purchaser or on behalf of any one beneficiary,  
13 however, no limit may be imposed that is less than that necessary to  
14 achieve four years of full-time, undergraduate tuition charges at a  
15 state institution of higher education. The governing body also may, at  
16 its discretion, limit the number of participants, if needed, to ensure  
17 the actuarial soundness and integrity of the program.

18 (e) While the Washington advanced college tuition payment program  
19 is designed to help all citizens of the state of Washington, the  
20 governing body may determine residency requirements for eligible  
21 purchasers and eligible beneficiaries to ensure the actuarial soundness  
22 and integrity of the program.

23 (3)(a) No tuition unit may be redeemed until two years after the  
24 purchase of the unit. Units may be redeemed for enrollment at any  
25 institution of higher education that is recognized by the internal  
26 revenue service under chapter 529 of the internal revenue code.

27 (b) Units redeemed at a nonstate institution of higher education or  
28 for graduate enrollment shall be redeemed at the rate for state public  
29 institutions in effect at the time of redemption.

30 (4) The governing body shall determine the conditions under which  
31 the tuition benefit may be transferred to another family member. In  
32 permitting such transfers, the governing body may not allow the tuition  
33 benefit to be bought, sold, bartered, or otherwise exchanged for goods  
34 and services by either the beneficiary or the purchaser.

35 (5) The governing body shall administer the Washington advanced  
36 college tuition payment program in a manner reasonably designed to be  
37 actuarially sound, such that the assets of the trust will be sufficient  
38 to defray the obligations of the trust including the costs of

1 administration. The governing body may, at its discretion, discount  
2 the minimum purchase price for certain kinds of purchases such as those  
3 from families with young children, as long as the actuarial soundness  
4 of the account is not jeopardized.

5 (6) The governing body shall annually determine current value of a  
6 tuition unit.

7 (7) The governing body shall promote, advertise, and publicize the  
8 Washington advanced college tuition payment program.

9 (8) In addition to any other powers conferred by this chapter, the  
10 governing body may:

11 (a) Impose reasonable limits on the number of tuition units or  
12 units that may be used in any one year;

13 (b) Determine and set any time limits, if necessary, for the use of  
14 benefits under this chapter;

15 (c) Impose and collect administrative fees and charges in  
16 connection with any transaction under this chapter;

17 (d) Appoint and use advisory committees as needed to provide  
18 program direction and guidance;

19 (e) Formulate and adopt all other policies and rules necessary for  
20 the efficient administration of the program;

21 (f) Consider the addition of an advanced payment program for room  
22 and board contracts and also consider a college savings program;

23 (g) Purchase insurance from insurers licensed to do business in the  
24 state, to provide for coverage against any loss in connection with the  
25 account's property, assets, or activities or to further insure the  
26 value of the tuition units;

27 (h) Make, execute, and deliver contracts, conveyances, and other  
28 instruments necessary to the exercise and discharge of its powers and  
29 duties under this chapter;

30 (i) Contract for the provision for all or part of the services  
31 necessary for the management and operation of the program with other  
32 state or nonstate entities authorized to do business in the state;

33 (j) Contract for other services or for goods needed by the  
34 governing body in the conduct of its business under this chapter;

35 (k) Contract with financial consultants, actuaries, auditors, and  
36 other consultants as necessary to carry out its responsibilities under  
37 this chapter;

1 (1) Solicit and accept cash donations and grants from any person,  
2 governmental agency, private business, or organization; and

3 (m) Perform all acts necessary and proper to carry out the duties  
4 and responsibilities of this program under this chapter.

5 **Sec. 170.** RCW 28B.95.040 and 1997 c 289 s 4 are each amended to  
6 read as follows:

7 The governing body may, at its discretion, allow an organization to  
8 purchase tuition units for future use as scholarships. Such  
9 organizations electing to purchase tuition units for this purpose must  
10 enter into a contract with the governing body which, at a minimum,  
11 ensures that the scholarship shall be freely given by the purchaser to  
12 a scholarship recipient. For such purchases, the purchaser need not  
13 name a beneficiary until four months before the date when the tuition  
14 units are first expected to be used.

15 The governing body shall formulate and adopt such rules as are  
16 necessary to determine which organizations may qualify to purchase  
17 tuition units for scholarships under this section. The governing body  
18 also may consider additional rules for the use of tuition units if  
19 purchased as scholarships.

20 The governing body may establish a scholarship fund with moneys  
21 from the Washington advanced college tuition payment program account.  
22 A scholarship fund established under this authority shall be  
23 administered by the (~~higher education coordinating board~~) office and  
24 shall be provided to students who demonstrate financial need.  
25 Financial need is not a criterion that any other organization need  
26 consider when using tuition units as scholarships. The (~~board~~)  
27 office also may establish its own corporate-sponsored scholarship fund  
28 under this chapter.

29 **Sec. 171.** RCW 28B.95.060 and 2007 c 214 s 13 are each amended to  
30 read as follows:

31 (1) The Washington advanced college tuition payment program account  
32 is created in the custody of the state treasurer. The account shall be  
33 a discrete nontreasury account retaining its interest earnings in  
34 accordance with RCW 43.79A.040.

35 (2)(a) Except as provided in (b) of this subsection, the governing  
36 body shall deposit in the account all money received for the program.



1 The account shall be self-sustaining and consist of payments received  
2 from purchasers of tuition units and funds received from other sources,  
3 public or private. With the exception of investment and operating  
4 costs associated with the investment of money by the investment board  
5 paid under RCW 43.33A.160 and 43.84.160, the account shall be credited  
6 with all investment income earned by the account. Disbursements from  
7 the account are exempt from appropriations and the allotment provisions  
8 of chapter 43.88 RCW. Money used for program administration is subject  
9 to the allotment of all expenditures. However, an appropriation is not  
10 required for such expenditures. Program administration shall include,  
11 but not be limited to: The salaries and expenses of the program  
12 personnel including lease payments, travel, and goods and services  
13 necessary for program operation; contracts for program promotion and  
14 advertisement, audits, and account management; and other general costs  
15 of conducting the business of the program.

16 (b) All money received by the program from the (~~higher education~~  
17 ~~coordinating board~~) office for the GET ready for math and science  
18 scholarship program shall be deposited in the GET ready for math and  
19 science scholarship account created in RCW 28B.105.110.

20 (3) The assets of the account may be spent without appropriation  
21 for the purpose of making payments to institutions of higher education  
22 on behalf of the qualified beneficiaries, making refunds, transfers, or  
23 direct payments upon the termination of the Washington advanced college  
24 tuition payment program. Disbursements from the account shall be made  
25 only on the authorization of the governing body.

26 (4) With regard to the assets of the account, the state acts in a  
27 fiduciary, not ownership, capacity. Therefore the assets of the  
28 program are not considered state money, common cash, or revenue to the  
29 state.

30 **Sec. 172.** RCW 28B.95.160 and 2007 c 214 s 12 are each amended to  
31 read as follows:

32 Ownership of tuition units purchased by the (~~higher education~~  
33 ~~coordinating board~~) office for the GET ready for math and science  
34 scholarship program under RCW 28B.105.070 shall be in the name of the  
35 state of Washington and may be redeemed by the state of Washington on  
36 behalf of recipients of GET ready for math and science scholarship  
37 program scholarships for tuition and fees.

1       **Sec. 173.** RCW 28B.97.010 and 2009 c 215 s 13 are each amended to  
2 read as follows:

3       (1) The Washington higher education loan program is created. The  
4 program is created to assist students in need of additional low-cost  
5 student loans and related loan benefits.

6       (2) The program shall be administered by the (~~board~~) office. In  
7 administering the program, the (~~board~~) office must:

8       (a) Periodically assess the needs and target the benefits to  
9 selected students;

10       (b) Devise a program to address the following issues related to  
11 loans:

12       (i) Issuance of low-interest educational loans;

13       (ii) Determining loan repayment obligations and options;

14       (iii) Borrowing educational loans at low interest rates;

15       (iv) Developing conditional loans that can be forgiven in exchange  
16 for service; and

17       (v) Creating an emergency loan fund to help students until other  
18 state and federal long-term financing can be secured;

19       (c) Accept public and private contributions;

20       (d) Publicize the program; and

21       (e) Work with public and private colleges and universities, the  
22 state board for community and technical colleges, the workforce  
23 training and education coordinating board, and with students, to  
24 conduct periodic assessment of program needs. The (~~board~~) office may  
25 also consult with other groups and individuals as needed.

26       **Sec. 174.** RCW 28B.97.020 and 2009 c 215 s 14 are each amended to  
27 read as follows:

28       The definitions in this section apply throughout this chapter  
29 unless the context clearly requires otherwise.

30       (1) (~~("Board" means the higher education coordinating board.~~

31       ~~+2+))~~ "Institution of higher education" means a college or  
32 university in the state of Washington that is accredited by an  
33 accrediting association recognized as such by rule of the board.

34       (2) "Office" means the office of student financial assistance.

35       (3) "Program" means the Washington higher education loan program.

36       (4) "Resident student" has the definition in RCW 28B.15.012(2) (a)  
37 through (d).

1       **Sec. 175.** RCW 28B.102.020 and 2004 c 58 s 2 are each amended to  
2 read as follows:

3       Unless the context clearly requires otherwise, the definitions in  
4 this section apply throughout this chapter.

5       (1) "Conditional scholarship" means a loan that is forgiven in  
6 whole or in part if the recipient renders service as a teacher in an  
7 approved education program in this state.

8       (2) "Institution of higher education" or "institution" means a  
9 college or university in the state of Washington that is accredited by  
10 an accrediting association recognized as such by rule of the council  
11 for higher education (~~(coordinating board)~~).

12       (3) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
13 ~~board)~~) office of student financial assistance.

14       (4) "Eligible student" means a student who is registered for at  
15 least six credit hours or the equivalent, demonstrates high academic  
16 achievement, is a resident student as defined by RCW 28B.15.012 and  
17 28B.15.013, and has a declared intention to complete an approved  
18 preparation program leading to initial teacher certification or  
19 required for earning an additional endorsement, and commits to teaching  
20 service in the state of Washington.

21       (5) "Public school" means an elementary school, a middle school,  
22 junior high school, or high school within the public school system  
23 referred to in Article IX of the state Constitution.

24       (6) "Forgiven" or "to forgive" or "forgiveness" means to render  
25 service as a teacher in an approved education program in the state of  
26 Washington in lieu of monetary repayment.

27       (7) "Satisfied" means paid-in-full.

28       (8) "Participant" means an eligible student who has received a  
29 conditional scholarship or loan repayment under this chapter.

30       (9) "Loan repayment" means a federal student loan that is repaid in  
31 whole or in part if the recipient renders service as a teacher in an  
32 approved education program in Washington state.

33       (10) "Approved education program" means an education program in the  
34 state of Washington for knowledge and skills generally learned in  
35 preschool through twelfth grade. Approved education programs may  
36 include but are not limited to:

37       (a) K-12 schools under Title 28A RCW; or

1 (b) Other K-12 educational sites in the state of Washington as  
2 designated by the board.

3 (11) "Equalization fee" means the additional amount added to the  
4 principal of a loan under this chapter to equate the debt to that which  
5 the student would have incurred if the loan had been received through  
6 the federal subsidized Stafford student loan program.

7 (12) "Teacher shortage area" means a shortage of elementary or  
8 secondary school teachers in a specific subject area, discipline,  
9 classification, or geographic area as defined by the office of the  
10 superintendent of public instruction.

11 **Sec. 176.** RCW 28B.102.030 and 2004 c 58 s 3 are each amended to  
12 read as follows:

13 The future teachers conditional scholarship and loan repayment  
14 program is established. The program shall be administered by the  
15 (~~higher education coordinating board~~) office. In administering the  
16 program, the board shall have the following powers and duties:

17 (1) Select students to receive conditional scholarships or loan  
18 repayments;

19 (2) Adopt necessary rules and guidelines;

20 (3) Publicize the program;

21 (4) Collect and manage repayments from students who do not meet  
22 their teaching obligations under this chapter; and

23 (5) Solicit and accept grants and donations from public and private  
24 sources for the program.

25 **Sec. 177.** RCW 28B.102.040 and 2008 c 170 s 306 are each amended to  
26 read as follows:

27 (1) The (~~board~~) office may select participants based on an  
28 application process conducted by the (~~board~~) office or the (~~board~~)  
29 office may utilize selection processes for similar students in  
30 cooperation with the professional educator standards board or the  
31 office of the superintendent of public instruction.

32 (2) If the (~~board~~) office selects participants for the program,  
33 it shall establish a selection committee for screening and selecting  
34 recipients of the conditional scholarships. The criteria shall  
35 emphasize factors demonstrating excellence including but not limited to  
36 superior scholastic achievement, leadership ability, community

1 contributions, bilingual ability, willingness to commit to providing  
2 teaching service in shortage areas, and an ability to act as a role  
3 model for students. Priority will be given to individuals seeking  
4 certification or an additional endorsement in math, science, technology  
5 education, agricultural education, business and marketing education,  
6 family and consumer science education, or special education.

7 **Sec. 178.** RCW 28B.102.050 and 2004 c 58 s 6 are each amended to  
8 read as follows:

9 The ((~~board~~)) office may award conditional scholarships or provide  
10 loan repayments to eligible participants from the funds appropriated to  
11 the ((~~board~~)) office for this purpose, or from any private donations,  
12 or any other funds given to the ((~~board~~)) office for this program. The  
13 amount of the conditional scholarship or loan repayment awarded an  
14 individual shall not exceed the amount of tuition and fees at the  
15 institution of higher education attended by the participant or resident  
16 undergraduate tuition and fees at the University of Washington per  
17 academic year for a full-time student, whichever is lower.  
18 Participants are eligible to receive conditional scholarships or loan  
19 repayments for a maximum of five years.

20 **Sec. 179.** RCW 28B.102.055 and 2004 c 58 s 8 are each amended to  
21 read as follows:

22 (1) Upon documentation of federal student loan indebtedness, the  
23 ((~~board~~)) office may enter into agreements with participants to repay  
24 all or part of a federal student loan in exchange for teaching service  
25 in an approved educational program. The ratio of loan repayment to  
26 years of teaching service for the loan repayment program shall be the  
27 same as established for the conditional scholarship program.

28 (2) The agreement shall specify the period of time it is in effect  
29 and detail the obligations of the ((~~board~~)) office and the participant,  
30 including the amount to be paid to the participant. The agreement may  
31 also specify the geographic location and subject matter area of  
32 teaching service for which loan repayment will be provided.

33 (3) At the end of each school year, a participant under this  
34 section shall provide evidence to the ((~~board~~)) office that the  
35 requisite teaching service has been provided. Upon receipt of the  
36 evidence, the ((~~board~~)) office shall pay the participant the agreed-

1 upon amount for one year of full-time teaching service or a prorated  
2 amount for less than full-time teaching service. To qualify for  
3 additional loan repayments, the participant must be engaged in  
4 continuous teaching service as defined by the ((~~board~~)) office.

5 (4) The ((~~board~~)) office may, at its discretion, arrange to make  
6 the loan repayment directly to the holder of the participant's federal  
7 student loan.

8 (5) The ((~~board's~~)) office's obligations to a participant under  
9 this section shall cease when:

10 (a) The terms of the agreement have been fulfilled;

11 (b) The participant fails to maintain continuous teaching service  
12 as determined by the ((~~board~~)) office; or

13 (c) All of the participant's federal student loans have been  
14 repaid.

15 (6) The ((~~board~~)) office shall adopt rules governing loan  
16 repayments, including approved leaves of absence from continuous  
17 teaching service and other deferments as may be necessary.

18 **Sec. 180.** RCW 28B.102.060 and 2011 c 26 s 4 are each amended to  
19 read as follows:

20 (1) Participants in the conditional scholarship program incur an  
21 obligation to repay the conditional scholarship, with interest and an  
22 equalization fee, unless they teach for two years in an approved  
23 education program for each year of scholarship received, under rules  
24 adopted by the ((~~board~~)) office. Participants who teach in a  
25 designated teacher shortage area shall have one year of loan canceled  
26 for each year they teach in the shortage area.

27 (2) The interest rate shall be determined by the ((~~board~~)) office.  
28 Participants who fail to complete the teaching service shall incur an  
29 equalization fee based on the remaining unforgiven balance of the loan.  
30 The equalization fee shall be added to the remaining balance and repaid  
31 by the participant.

32 (3) The minimum payment shall be set by the ((~~board~~)) office. The  
33 maximum period for repayment shall be ten years, with payments of  
34 principal and interest commencing six months from the date the  
35 participant completes or discontinues the course of study. The  
36 interest rate shall be determined by the ((~~board~~)) office and be

1 established by rule. Provisions for deferral of payment shall be  
2 determined by the ((board)) office. The ((board)) office shall  
3 establish an appeal process by rule.

4 (4) The entire principal and interest of each payment shall be  
5 forgiven for each payment period in which the participant teaches in an  
6 approved education program until the entire repayment obligation is  
7 satisfied. Should the participant cease to teach in an approved  
8 education program in this state before the participant's repayment  
9 obligation is completed, payments on the unsatisfied portion of the  
10 principal and interest shall begin the next payment period and continue  
11 until the remainder of the participant's repayment obligation is  
12 satisfied.

13 (5) The ((board)) office is responsible for collection of  
14 repayments made under this section and shall exercise due diligence in  
15 such collection, maintaining all necessary records to insure that  
16 maximum repayments are made. Collection and servicing of repayments  
17 under this section shall be pursued using the full extent of the law,  
18 including wage garnishment if necessary. The ((board)) office is  
19 responsible to forgive all or parts of such repayments under the  
20 criteria established in this section and shall maintain all necessary  
21 records of forgiven payments.

22 (6) Receipts from the payment of principal or interest or any other  
23 subsidies to which the ((board)) office as administrator is entitled,  
24 which are paid by or on behalf of participants under this section,  
25 shall be deposited in the future teachers conditional scholarship  
26 account and shall be used to cover the costs of granting the  
27 conditional scholarships, maintaining necessary records, and making  
28 collections under subsection (5) of this section. The ((board)) office  
29 shall maintain accurate records of these costs, and all receipts beyond  
30 those necessary to pay such costs shall be used to grant conditional  
31 scholarships to eligible students.

32 (7) The ((board)) office shall adopt rules to define the terms of  
33 repayment, including applicable interest rates, fees, and deferments.

34 **Sec. 181.** RCW 28B.102.080 and 2010 1st sp.s. c 37 s 917 are each  
35 amended to read as follows:

36 (1) The future teachers conditional scholarship account is created  
37 in the custody of the state treasurer. An appropriation is not

1 required for expenditures of funds from the account. The account is  
2 not subject to allotment procedures under chapter 43.88 RCW except for  
3 moneys used for program administration.

4 (2) The ((~~board~~)) office shall deposit in the account all moneys  
5 received for the future teachers conditional scholarship and loan  
6 repayment program and for conditional loan programs under chapter  
7 28A.660 RCW. The account shall be self-sustaining and consist of funds  
8 appropriated by the legislature for the future teachers conditional  
9 scholarship and loan repayment program, private contributions to the  
10 program, receipts from participant repayments from the future teachers  
11 conditional scholarship and loan repayment program, and conditional  
12 loan programs established under chapter 28A.660 RCW. Beginning July 1,  
13 2004, the ((~~board~~)) office shall also deposit into the account: (a)  
14 All funds from the institution of higher education loan account that  
15 are traceable to any conditional scholarship program for teachers or  
16 prospective teachers established by the legislature before June 10,  
17 2004; and (b) all amounts repaid by individuals under any such program.

18 (3) Expenditures from the account may be used solely for  
19 conditional loans and loan repayments to participants in the future  
20 teachers conditional scholarship and loan repayment program established  
21 by this chapter, conditional scholarships for participants in programs  
22 established in chapter 28A.660 RCW, and costs associated with program  
23 administration by the ((~~board~~)) office.

24 (4) Disbursements from the account may be made only on the  
25 authorization of the ((~~board~~)) office.

26 (5) During the 2009-2011 fiscal biennium, the legislature may  
27 transfer from the future teachers conditional scholarship account to  
28 the state general fund such amounts as reflect the excess fund balance  
29 of the account.

30 **Sec. 182.** RCW 28B.105.020 and 2007 c 214 s 2 are each amended to  
31 read as follows:

32 The definitions in this section apply throughout this chapter  
33 unless the context clearly requires otherwise.

34 (1) (~~("Board" means the higher education coordinating board.~~  
35 ~~(2))~~) "GET units" means tuition units under the advanced college  
36 tuition payment program in chapter 28B.95 RCW.



1           (~~(3)~~) (2) "Institution of higher education" has the same meaning  
2 as in RCW 28B.92.030.

3           (3) "Office" means the office of student financial assistance.

4           (4) "Program administrator" means the private nonprofit corporation  
5 that is registered under Title 24 RCW and qualified as a tax-exempt  
6 entity under section 501(c)(3) of the federal internal revenue code,  
7 that will serve as the private partner in the public-private  
8 partnership under this chapter.

9           (5) "Qualified program" or "qualified major" means a mathematics,  
10 science, or related degree program or major line of study offered by an  
11 institution of higher education that is included on the list of  
12 programs or majors selected by the board and the program administrator  
13 under RCW 28B.105.100.

14           **Sec. 183.** RCW 28B.105.040 and 2007 c 214 s 4 are each amended to  
15 read as follows:

16           (1) If the student enrolls in a qualified program or declares a  
17 qualified major and the program or major is subsequently removed from  
18 the list of qualified programs and qualified majors by the (~~board~~)  
19 office and the program administrator, the student's eligibility to  
20 receive a GET ready for math and science scholarship shall not be  
21 affected.

22           (2) If a student who received a GET ready for math and science  
23 scholarship ceases to be enrolled in an institution of higher  
24 education, withdraws or is no longer enrolled in a qualified program,  
25 declares a major that is not a qualified major, or otherwise is no  
26 longer eligible to receive a GET ready for math and science  
27 scholarship, the student shall notify the program administrator as soon  
28 as practicable and is not eligible for further GET ready for math and  
29 science scholarship awards. Such a student shall also repay the amount  
30 of the GET ready for math and science scholarship awarded to the  
31 student as required by RCW 28B.105.050.

32           **Sec. 184.** RCW 28B.105.050 and 2007 c 214 s 5 are each amended to  
33 read as follows:

34           (1) A recipient of a GET ready for math and science scholarship  
35 incurs an obligation to repay the scholarship, with interest and an  
36 equalization fee, if he or she does not:

1 (a) Graduate with a bachelor's degree from a qualified program or  
2 in a qualified major within five years of first enrolling at an  
3 institution of higher education; and

4 (b) Work in Washington in a mathematics, science, or related  
5 occupation full time for at least three years following completion of  
6 a bachelor's degree, unless he or she is enrolled in a graduate degree  
7 program as provided in subsection (4) of this section.

8 (2) A former scholarship recipient who has earned a bachelor's  
9 degree shall annually verify to the ((board)) office that he or she is  
10 working full time in a mathematics, science, or related field for three  
11 years.

12 (3) If a former scholarship recipient begins but then stops working  
13 full time in a mathematics, science, or related field within three  
14 years following completion of a bachelor's degree, he or she shall pay  
15 back a prorated portion of the amount of the GET ready for math and  
16 science scholarship award received by the recipient, plus interest and  
17 a prorated equalization fee.

18 (4) A recipient may postpone for up to three years his or her in-  
19 state work obligation if he or she enrolls full time in a graduate  
20 degree program in mathematics, science, or a related field.

21 **Sec. 185.** RCW 28B.105.070 and 2007 c 214 s 7 are each amended to  
22 read as follows:

23 The ((board)) office shall:

24 (1) Purchase GET units to be owned and held in trust by the  
25 ((board)) office, for the purpose of scholarship awards as provided for  
26 in this section;

27 (2) Distribute scholarship funds, in the form of GET units or  
28 through direct payments from the GET ready for math and science  
29 scholarship account, to institutions of higher education on behalf of  
30 eligible recipients identified by the program administrator;

31 (3) Provide the program administrator with annual reports regarding  
32 enrollment, contact, and graduation information of GET ready for math  
33 and science scholarship recipients, if the recipients have given  
34 permission for the ((board)) office to do so;

35 (4) Collect repayments from former scholarship recipients who do  
36 not meet the eligibility criteria or work obligations;

1 (5) Establish rules for scholarship repayment, approved leaves of  
2 absence, deferments, and exceptions to recognize extenuating  
3 circumstances that may impact students; and

4 (6) Provide information to school districts in Washington, at least  
5 once per year, about the GET ready for math and science scholarship  
6 program.

7 **Sec. 186.** RCW 28B.105.100 and 2007 c 214 s 10 are each amended to  
8 read as follows:

9 The ((board)) office and the program administrator shall jointly:

10 (1) Determine criteria for qualifying undergraduate programs,  
11 majors, and courses leading to a bachelor's degree in mathematics,  
12 science, or a related field, offered by institutions of higher  
13 education. The ((board)) office shall publish the criteria for  
14 qualified courses, and lists of qualified programs and qualified  
15 majors, on its web site on a biennial basis; and

16 (2) Establish criteria for selecting among eligible applicants  
17 those who, without scholarship assistance, would be least likely to  
18 pursue a qualified undergraduate program at an institution of higher  
19 education in Washington state.

20 **Sec. 187.** RCW 28B.105.110 and 2010 1st sp.s. c 37 s 918 are each  
21 amended to read as follows:

22 (1) The GET ready for math and science scholarship account is  
23 created in the custody of the state treasurer.

24 (2) The ((board)) office shall deposit into the account all money  
25 received for the GET ready for math and science scholarship program  
26 from appropriations and private sources. The account shall be  
27 self-sustaining.

28 (3) Expenditures from the account shall be used for scholarships to  
29 eligible students and for purchases of GET units. Purchased GET units  
30 shall be owned and held in trust by the ((board)) office. Expenditures  
31 from the account shall be an equal match of state appropriations and  
32 private funds raised by the program administrator. During the 2009-  
33 2011 fiscal biennium, expenditures from the account not to exceed five  
34 percent may be used by the program administrator to carry out the  
35 provisions of RCW 28B.105.090.

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

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

7 (6) Disbursements from the account shall be made only on the  
8 authorization of the ~~((board))~~ office.

9 ~~((During the 2007-2009 fiscal biennium, the legislature may  
10 transfer state appropriations to the GET ready for math and science  
11 scholarship account that have not been matched by private contributions  
12 to the state general fund.~~

13 ~~(+8))~~ During the 2009-2011 fiscal biennium, the legislature may  
14 transfer from the GET ready for math and science scholarship account to  
15 the state general fund such amounts as have not been donated from or  
16 matched by private contributions.

17 **Sec. 188.** RCW 28B.106.010 and 1988 c 125 s 9 are each amended to  
18 read as follows:

19 The following definitions shall apply throughout this chapter,  
20 unless the context clearly indicates otherwise:

21 (1) "College savings bonds" or "bonds" are Washington state general  
22 obligation bonds, issued under the authority of and in accordance with  
23 this chapter.

24 (2) ~~(("Board"))~~ "Office" means the ~~((higher education coordinating  
25 board))~~ office of student financial assistance, or any successor  
26 thereto.

27 **Sec. 189.** RCW 28B.106.070 and 1988 c 125 s 16 are each amended to  
28 read as follows:

29 The ~~((board))~~ office and the state finance committee shall create  
30 and implement marketing strategies and educational programs designed to  
31 publicize the college savings bond program to Washington residents.

32 **Sec. 190.** RCW 28B.108.010 and 2004 c 275 s 69 are each amended to  
33 read as follows:

34 Unless the context clearly requires otherwise, the definitions in  
35 this section apply throughout this chapter.

1 (1) "Institution of higher education" or "institution" means a  
2 college or university in the state of Washington which is accredited by  
3 an accrediting association recognized as such by rule of the council  
4 for higher education (~~(coordinating board)~~).

5 (2) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
6 ~~board)~~) office of student financial assistance.

7 (3) "Eligible student" or "student" means an American Indian who is  
8 a financially needy student, as defined in RCW 28B.92.030, who is a  
9 resident student, as defined by RCW 28B.15.012(2), who is a full-time  
10 student at an institution of higher education, and who promises to use  
11 his or her education to benefit other American Indians.

12 **Sec. 191.** RCW 28B.108.020 and 2009 c 259 s 1 are each amended to  
13 read as follows:

14 The American Indian endowed scholarship program is created. The  
15 program shall be administered by the (~~(higher education coordinating~~  
16 ~~board)~~) office. In administering the program, the board's powers and  
17 duties shall include but not be limited to:

18 (1) Selecting students to receive scholarships, with the assistance  
19 of a screening committee composed of persons involved in helping  
20 American Indian students to obtain a higher education. The membership  
21 of the committee may include, but is not limited to representatives of:  
22 Indian tribes, urban Indians, the governor's office of Indian affairs,  
23 the Washington state Indian education association, and institutions of  
24 higher education;

25 (2) Adopting necessary rules and guidelines;

26 (3) Publicizing the program;

27 (4) Accepting and depositing donations into the endowment fund  
28 created in RCW 28B.108.060;

29 (5) Requesting from the state investment board and accepting from  
30 the state treasurer moneys earned from the endowment fund created in  
31 RCW 28B.108.060;

32 (6) Soliciting and accepting grants and donations from public and  
33 private sources for the program; and

34 (7) Naming scholarships in honor of those American Indians from  
35 Washington who have acted as role models.

1           **Sec. 192.** RCW 28B.108.030 and 1991 c 228 s 11 are each amended to  
2 read as follows:

3           The (~~higher education coordinating board~~) office shall establish  
4 an advisory committee to assist in program design and to develop  
5 criteria for the screening and selection of scholarship recipients.  
6 The committee shall be composed of representatives of the same groups  
7 as the screening committee described in RCW 28B.108.020. The criteria  
8 shall assess the student's social and cultural ties to an American  
9 Indian community within the state. The criteria shall include a  
10 priority for upper-division or graduate students. The criteria may  
11 include a priority for students who are majoring in program areas in  
12 which expertise is needed by the state's American Indians.

13           **Sec. 193.** RCW 28B.108.060 and 2009 c 259 s 2 are each amended to  
14 read as follows:

15           The American Indian scholarship endowment fund is created in the  
16 custody of the state treasurer. The investment of the endowment fund  
17 shall be managed by the state investment board. Funds appropriated by  
18 the legislature for the endowment fund must be deposited into the fund.

19           (1) Moneys received from the (~~higher education coordinating~~  
20 ~~board~~) office, private donations, state moneys, and funds received  
21 from any other source may be deposited into the endowment fund.  
22 Private moneys received as a gift subject to conditions may be deposit  
23 ed into the fund.

24           (2) At the request of the (~~higher education coordinating board~~)  
25 office, the state investment board shall release earnings from the  
26 endowment fund to the state treasurer. The state treasurer shall then  
27 release those funds at the request of the (~~higher education~~  
28 ~~coordinating board~~) office for scholarships. No appropriation is  
29 required for expenditures from the endowment fund.

30           (3) When notified by the (~~higher education coordinating board~~)  
31 office that a condition attached to a gift of private moneys in the  
32 fund has failed, the state investment board shall release those moneys  
33 to the (~~higher education coordinating board~~) office. The (~~higher~~  
34 ~~education coordinating board~~) office shall then release the moneys to  
35 the donors according to the terms of the conditional gift.

36           (4) The principal of the endowment fund shall not be invaded. The

1 release of moneys under subsection (3) of this section shall not  
2 constitute an invasion of corpus.

3 (5) The earnings on the fund shall be used solely for the purposes  
4 set forth in RCW 28B.108.040, except when the terms of a conditional  
5 gift of private moneys in the fund require that a portion of earnings  
6 on such moneys be reinvested in the fund.

7 **Sec. 194.** RCW 28B.109.010 and 1996 c 253 s 401 are each amended to  
8 read as follows:

9 Unless the context clearly requires otherwise, the definitions in  
10 this section apply throughout this chapter.

11 (1) (~~("Board" means the higher education coordinating board.~~  
12 ~~(2))~~) "Eligible participant" means an international student whose  
13 country of residence has a trade relationship with the state of  
14 Washington.

15 (~~(3)~~) (2) "Institution of higher education" or "institution"  
16 means a college or university in the state of Washington that is  
17 accredited by an accrediting association recognized as such by rule of  
18 the board.

19 (3) "Office" means the office of student financial assistance.

20 (4) "Service obligation" means volunteering for a minimum number of  
21 hours as established by the board based on the amount of scholarship  
22 award, to speak to or teach groups of Washington citizens, including  
23 but not limited to elementary, middle, and high schools, service clubs,  
24 and universities.

25 (5) "Washington international exchange scholarship program" means  
26 a scholarship award for a period not to exceed one academic year to  
27 attend a Washington institution of higher education made to an  
28 international student whose country has an established trade  
29 relationship with Washington.

30 **Sec. 195.** RCW 28B.109.020 and 1996 c 253 s 402 are each amended to  
31 read as follows:

32 The Washington international exchange scholarship program is  
33 created subject to funding under RCW 28B.109.060. The program shall be  
34 administered by the (~~board~~) office. In administering the program,  
35 the (~~board~~) office may:

1 (1) Convene an advisory committee that may include but need not be  
2 limited to representatives of the office of the superintendent of  
3 public instruction, the department of (~~community, trade, and economic~~  
4 ~~development~~) commerce, the secretary of state, private business, and  
5 institutions of higher education;

6 (2) Select students to receive the scholarship with the assistance  
7 of a screening committee composed of leaders in business, international  
8 trade, and education;

9 (3) Adopt necessary rules and guidelines including rules for  
10 disbursing scholarship funds to participants;

11 (4) Publicize the program;

12 (5) Solicit and accept grants and donations from public and private  
13 sources for the program;

14 (6) Establish and notify participants of service obligations; and

15 (7) Establish a formula for selecting the countries from which  
16 participants may be selected in consultation with the \*department of  
17 community, trade, and economic development.

18 **Sec. 196.** RCW 28B.109.030 and 1996 c 253 s 403 are each amended to  
19 read as follows:

20 The (~~board~~) office may negotiate and enter into a reciprocal  
21 agreement with foreign countries that have international students  
22 attending institutions in Washington. The goal of the reciprocal  
23 agreements shall be to allow Washington students enrolled in an  
24 institution of higher education to attend an international institution  
25 under similar terms and conditions.

26 **Sec. 197.** RCW 28B.109.040 and 1996 c 253 s 404 are each amended to  
27 read as follows:

28 If funds are available, the (~~board~~) office shall select students  
29 yearly to receive a Washington international exchange student  
30 scholarship from moneys earned from the Washington international  
31 exchange scholarship endowment fund created in RCW 28B.109.060, from  
32 funds appropriated to the (~~board~~) office for this purpose, or from  
33 any private donations, or from any other funds given to the (~~board~~)  
34 office for this program.



1           **Sec. 198.** RCW 28B.109.050 and 1996 c 253 s 405 are each amended to  
2 read as follows:

3           The Washington international exchange trust fund is established in  
4 the custody of the state treasurer. Any funds appropriated by the  
5 legislature for the trust fund shall be deposited into the fund. At  
6 the request of the ((~~board~~)) office, and when conditions set forth in  
7 RCW 28B.109.070 are met, the treasurer shall deposit state matching  
8 moneys from the Washington international exchange trust fund into the  
9 Washington international exchange scholarship endowment fund. No  
10 appropriation is required for expenditures from the trust fund.

11           **Sec. 199.** RCW 28B.109.060 and 1996 c 253 s 406 are each amended to  
12 read as follows:

13           The Washington international exchange scholarship endowment fund is  
14 established in the custody of the state treasurer. Moneys received  
15 from the private donations and funds received from any other source may  
16 be deposited into the endowment fund. At the request of the ((~~board~~))  
17 office, the treasurer shall release earnings from the endowment fund to  
18 the ((~~board~~)) office for scholarships. No appropriation is required  
19 for expenditures from the endowment fund. The principal of the  
20 endowment fund shall not be invaded. The earnings on the fund shall be  
21 used solely for the purposes in this chapter.

22           **Sec. 200.** RCW 28B.109.070 and 1996 c 253 s 407 are each amended to  
23 read as follows:

24           The ((~~board~~)) office may request that the treasurer deposit state  
25 matching funds into the Washington international exchange scholarship  
26 endowment fund when the ((~~board~~)) office can match the state funds with  
27 an equal amount of private cash donations, including conditional gifts.

28           **Sec. 201.** RCW 28B.109.080 and 1996 c 253 s 408 are each amended to  
29 read as follows:

30           Each Washington international exchange scholarship recipient shall  
31 agree to complete the service obligation as defined by the ((~~board~~))  
32 office.

33           **Sec. 202.** RCW 28B.115.020 and 2011 c 26 s 1 are each amended to  
34 read as follows:

1 Unless the context clearly requires otherwise, the definitions in  
2 this section apply throughout this chapter.

3 (1) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
4 ~~board)~~) office of student financial assistance.

5 (2) "Department" means the state department of health.

6 (3) "Eligible education and training programs" means education and  
7 training programs approved by the department that lead to eligibility  
8 for a credential as a credentialed health care professional.

9 (4) "Eligible expenses" means reasonable expenses associated with  
10 the costs of acquiring an education such as tuition, books, equipment,  
11 fees, room and board, and other expenses determined by the (~~board~~)  
12 office.

13 (5) "Eligible student" means a student who has been accepted into  
14 an eligible education or training program and has a declared intention  
15 to serve in a health professional shortage area upon completion of the  
16 education or training program.

17 (6) "Forgiven" or "to forgive" or "forgiveness" means to render  
18 health care services in a health professional shortage area in the  
19 state of Washington in lieu of monetary repayment.

20 (7) "Health professional shortage areas" means those areas where  
21 credentialed health care professionals are in short supply as a result  
22 of geographic maldistribution or as the result of a short supply of  
23 credentialed health care professionals in specialty health care areas  
24 and where vacancies exist in serious numbers that jeopardize patient  
25 care and pose a threat to the public health and safety. The department  
26 shall determine health professional shortage areas as provided for in  
27 RCW 28B.115.070. In making health professional shortage area  
28 designations in the state the department may be guided by applicable  
29 federal standards for "health manpower shortage areas," and "medically  
30 underserved areas," and "medically underserved populations."

31 (8) "Credentialed health care profession" means a health care  
32 profession regulated by a disciplining authority in the state of  
33 Washington under RCW 18.130.040 or by the state board of pharmacy under  
34 chapter 18.64 RCW and designated by the department in RCW 28B.115.070  
35 as a profession having shortages of credentialed health care  
36 professionals in the state.

37 (9) "Credentialed health care professional" means a person

1 regulated by a disciplining authority in the state of Washington to  
2 practice a health care profession under RCW 18.130.040 or by the state  
3 board of pharmacy under chapter 18.64 RCW.

4 (10) "Loan repayment" means a loan that is paid in full or in part  
5 if the participant renders health care services in a health  
6 professional shortage area as defined by the department.

7 (11) "Nonshortage rural area" means a nonurban area of the state of  
8 Washington that has not been designated as a rural physician shortage  
9 area. The department shall identify the nonshortage rural areas of the  
10 state.

11 (12) "Participant" means a credentialed health care professional  
12 who has received a loan repayment award and has commenced practice as  
13 a credentialed health care provider in a designated health professional  
14 shortage area or an eligible student who has received a scholarship  
15 under this program.

16 (13) "Program" means the health professional loan repayment and  
17 scholarship program.

18 (14) "Required service obligation" means an obligation by the  
19 participant to provide health care services in a health professional  
20 shortage area for a period to be established as provided for in this  
21 chapter.

22 (15) "Rural physician shortage area" means rural geographic areas  
23 where primary care physicians are in short supply as a result of  
24 geographic maldistributions and where their limited numbers jeopardize  
25 patient care and pose a threat to public health and safety. The  
26 department shall designate rural physician shortage areas.

27 (16) "Satisfied" means paid-in-full.

28 (17) "Scholarship" means a loan that is forgiven in whole or in  
29 part if the recipient renders health care services in a health  
30 professional shortage area.

31 (18) "Sponsoring community" means a rural hospital or hospitals as  
32 authorized in chapter 70.41 RCW, a rural health care facility or  
33 facilities as authorized in chapter 70.175 RCW, or a city or county  
34 government or governments.

35 **Sec. 203.** RCW 28B.115.030 and 1991 c 332 s 16 are each amended to  
36 read as follows:

37 The health professional loan repayment and scholarship program is

1 established for credentialed health professionals serving in health  
2 professional shortage areas. The program shall be administered by the  
3 (~~higher education coordinating board~~) office. In (~~administering~~)  
4 administering this program, the (~~board~~) office shall:

5 (1) Select credentialed health care professionals to participate in  
6 the loan repayment portion of the loan repayment and scholarship  
7 program and select eligible students to participate in the scholarship  
8 portion of the loan repayment and scholarship program;

9 (2) Adopt rules and develop guidelines to administer the program;

10 (3) Collect and manage repayments from participants who do not meet  
11 their service obligations under this chapter;

12 (4) Publicize the program, particularly to maximize participation  
13 among individuals in shortage areas and among populations expected to  
14 experience the greatest growth in the workforce;

15 (5) Solicit and accept grants and donations from public and private  
16 sources for the program; and

17 (6) Develop criteria for a contract for service in lieu of the  
18 service obligation where appropriate, that may be a combination of  
19 service and payment.

20 **Sec. 204.** RCW 28B.115.050 and 2004 c 275 s 70 are each amended to  
21 read as follows:

22 The (~~board~~) office shall establish a planning committee to assist  
23 it in developing criteria for the selection of participants. The  
24 (~~board~~) office shall include on the planning committee  
25 representatives of the department, the department of social and health  
26 services, appropriate representatives from health care facilities,  
27 provider groups, consumers, the state board for community and technical  
28 colleges, the superintendent of public instruction, and other  
29 appropriate public and private agencies and organizations. The  
30 criteria may require that some of the participants meet the definition  
31 of "needy student" under RCW 28B.92.030.

32 **Sec. 205.** RCW 28B.115.070 and 2003 c 278 s 3 are each amended to  
33 read as follows:

34 After June 1, 1992, the department, in consultation with the  
35 (~~board~~) office and the department of social and health services,  
36 shall:

1 (1) Determine eligible credentialed health care professions for the  
2 purposes of the loan repayment and scholarship program authorized by  
3 this chapter. Eligibility shall be based upon an assessment that  
4 determines that there is a shortage or insufficient availability of a  
5 credentialed profession so as to jeopardize patient care and pose a  
6 threat to the public health and safety. The department shall consider  
7 the relative degree of shortages among professions when determining  
8 eligibility. The department may add or remove professions from  
9 eligibility based upon the determination that a profession is no longer  
10 in shortage. Should a profession no longer be eligible, participants  
11 or eligible students who have received scholarships shall be eligible  
12 to continue to receive scholarships or loan repayments until they are  
13 no longer eligible or until their service obligation has been  
14 completed;

15 (2) Determine health professional shortage areas for each of the  
16 eligible credentialed health care professions.

17 **Sec. 206.** RCW 28B.115.080 and 1993 c 492 s 271 are each amended to  
18 read as follows:

19 After June 1, 1992, the ((board)) office, in consultation with the  
20 department and the department of social and health services, shall:

21 (1) Establish the annual award amount for each credentialed health  
22 care profession which shall be based upon an assessment of reasonable  
23 annual eligible expenses involved in training and education for each  
24 credentialed health care profession. The annual award amount may be  
25 established at a level less than annual eligible expenses. The annual  
26 award amount shall be established by the ((board)) office for each  
27 eligible health profession. The awards shall not be paid for more than  
28 a maximum of five years per individual;

29 (2) Determine any scholarship awards for prospective physicians in  
30 such a manner to require the recipients declare an interest in serving  
31 in rural areas of the state of Washington. Preference for scholarships  
32 shall be given to students who reside in a rural physician shortage  
33 area or a nonshortage rural area of the state prior to admission to the  
34 eligible education and training program in medicine. Highest  
35 preference shall be given to students seeking admission who are  
36 recommended by sponsoring communities and who declare the intent of  
37 serving as a physician in a rural area. The ((board)) office may

1 require the sponsoring community located in a nonshortage rural area to  
2 financially contribute to the eligible expenses of a medical student if  
3 the student will serve in the nonshortage rural area;

4 (3) Establish the required service obligation for each credentialed  
5 health care profession, which shall be no less than three years or no  
6 more than five years. The required service obligation may be based  
7 upon the amount of the scholarship or loan repayment award such that  
8 higher awards involve longer service obligations on behalf of the  
9 participant;

10 (4) Determine eligible education and training programs for purposes  
11 of the scholarship portion of the program;

12 (5) Honor loan repayment and scholarship contract terms negotiated  
13 between the ((board)) office and participants prior to May 21, 1991,  
14 concerning loan repayment and scholarship award amounts and service  
15 obligations authorized under chapter 28B.115, 28B.104, or 70.180 RCW.

16 **Sec. 207.** RCW 28B.115.090 and 2003 c 278 s 4 are each amended to  
17 read as follows:

18 (1) The ((board)) office may grant loan repayment and scholarship  
19 awards to eligible participants from the funds appropriated for this  
20 purpose, or from any private or public funds given to the ((board))  
21 office for this purpose. Participants are ineligible to receive loan  
22 repayment if they have received a scholarship from programs authorized  
23 under this chapter or chapter 70.180 RCW or are ineligible to receive  
24 a scholarship if they have received loan repayment authorized under  
25 this chapter or chapter 28B.115 RCW.

26 (2) Funds appropriated for the program, including reasonable  
27 administrative costs, may be used by the ((board)) office for the  
28 purposes of loan repayments or scholarships. The ((board)) office  
29 shall annually establish the total amount of funding to be awarded for  
30 loan repayments and scholarships and such allocations shall be  
31 established based upon the best utilization of funding for that year.

32 (3) One portion of the funding appropriated for the program shall  
33 be used by the ((board)) office as a recruitment incentive for  
34 communities participating in the community-based recruitment and  
35 retention program as authorized by chapter 70.185 RCW; one portion of  
36 the funding shall be used by the ((board)) office as a recruitment  
37 incentive for recruitment activities in state-operated institutions,

1 county public health departments and districts, county human service  
2 agencies, federal and state contracted community health clinics, and  
3 other health care facilities, such as rural hospitals that have been  
4 identified by the department, as providing substantial amounts of  
5 charity care or publicly subsidized health care; one portion of the  
6 funding shall be used by the ((board)) office for all other awards.  
7 The ((board)) office shall determine the amount of total funding to be  
8 distributed between the three portions.

9 **Sec. 208.** RCW 28B.115.110 and 2011 c 26 s 2 are each amended to  
10 read as follows:

11 Participants in the health professional loan repayment and  
12 scholarship program who are awarded loan repayments shall receive  
13 payment from the program for the purpose of repaying educational loans  
14 secured while attending a program of health professional training which  
15 led to a credential as a credentialed health professional in the state  
16 of Washington.

17 (1) Participants shall agree to meet the required service  
18 obligation in a designated health professional shortage area.

19 (2) Repayment shall be limited to eligible educational and living  
20 expenses as determined by the ((board)) office and shall include  
21 principal and interest.

22 (3) Loans from both government and private sources may be repaid by  
23 the program. Participants shall agree to allow the ((board)) office  
24 access to loan records and to acquire information from lenders  
25 necessary to verify eligibility and to determine payments. Loans may  
26 not be renegotiated with lenders to accelerate repayment.

27 (4) Repayment of loans established pursuant to this program shall  
28 begin no later than ninety days after the individual has become a  
29 participant. Payments shall be made quarterly, or more frequently if  
30 deemed appropriate by the ((board)) office, to the participant until  
31 the loan is repaid or the participant becomes ineligible due to  
32 discontinued service in a health professional shortage area or after  
33 the required service obligation when eligibility discontinues,  
34 whichever comes first.

35 (5) Should the participant discontinue service in a health  
36 professional shortage area, payments against the loans of the

1 participants shall cease to be effective on the date that the  
2 participant discontinues service.

3 (6) Except for circumstances beyond their control, participants who  
4 serve less than the required service obligation shall be obligated to  
5 repay to the program an amount equal to twice the total amount paid by  
6 the program on their behalf. This amount is due and payable  
7 immediately. Participants who are unable to pay the full amount due  
8 shall enter into a payment arrangement with the ((~~board~~)) office,  
9 including an arrangement for payment of interest. The maximum period  
10 for repayment is ten years. The ((~~board~~)) office shall determine the  
11 applicability of this subsection. The interest rate shall be  
12 determined by the ((~~board~~)) office and be established by rule.

13 (7) The ((~~board~~)) office is responsible for the collection of  
14 payments made on behalf of participants from the participants who  
15 discontinue service before completion of the required service  
16 obligation. The ((~~board~~)) office shall exercise due diligence in such  
17 collection, maintaining all necessary records to ensure that the  
18 maximum amount of payment made on behalf of the participant is  
19 recovered. Collection under this section shall be pursued using the  
20 full extent of the law, including wage garnishment if necessary.

21 (8) The ((~~board~~)) office shall not be held responsible for any  
22 outstanding payments on principal and interest to any lenders once a  
23 participant's eligibility expires.

24 (9) The ((~~board~~)) office shall temporarily or, in special  
25 circumstances, permanently defer the requirements of this section for  
26 eligible students as defined in RCW 28B.10.017.

27 (10) The ((~~board~~)) office shall establish an appeal process by  
28 rule.

29 **Sec. 209.** RCW 28B.115.120 and 2011 c 26 s 3 are each amended to  
30 read as follows:

31 (1) Participants in the health professional loan repayment and  
32 scholarship program who are awarded scholarships incur an obligation to  
33 repay the scholarship, with penalty and interest, unless they serve the  
34 required service obligation in a health professional shortage area in  
35 the state of Washington.

36 (2) The interest rate shall be determined by the ((~~board~~)) office  
37 and established by rule.



1 (3) The period for repayment shall coincide with the required  
2 service obligation, with payments of principal and interest commencing  
3 no later than six months from the date the participant completes or  
4 discontinues the course of study or completes or discontinues the  
5 required postgraduate training. Provisions for deferral of payment  
6 shall be determined by the ((board)) office.

7 (4) The entire principal and interest of each payment shall be  
8 forgiven for each payment period in which the participant serves in a  
9 health professional shortage area until the entire repayment obligation  
10 is satisfied or the borrower ceases to so serve. Should the  
11 participant cease to serve in a health professional shortage area of  
12 this state before the participant's repayment obligation is completed,  
13 payment of the unsatisfied portion of the principal and interest is due  
14 and payable immediately.

15 (5) In addition to the amount determined in subsection (4) of this  
16 section, except for circumstances beyond their control, participants  
17 who serve less than the required service obligation shall be obliged to  
18 pay a penalty of an amount equal to twice the unsatisfied portion of  
19 the principal.

20 (6) Participants who are unable to pay the full amount due shall  
21 enter into a payment arrangement with the ((board)) office for  
22 repayment including interest. The maximum period for repayment is ten  
23 years.

24 (7) The ((board)) office is responsible for collection of  
25 repayments made under this section and shall exercise due diligence in  
26 such collection, maintaining all necessary records to ensure that  
27 maximum repayments are made. Collection and servicing of repayments  
28 under this section shall be pursued using the full extent of the law,  
29 including wage garnishment if necessary, and shall be performed by  
30 entities approved for such servicing by the Washington student loan  
31 guaranty association or its successor agency. The ((board)) office is  
32 responsible to forgive all or parts of such repayments under the  
33 criteria established in this section and shall maintain all necessary  
34 records of forgiven payments.

35 (8) Receipts from the payment of principal or interest or any other  
36 subsidies to which the ((board)) office as administrator is entitled,  
37 which are paid by or on behalf of participants under this section,  
38 shall be deposited with the ((board)) office and shall be used to cover

1 the costs of granting the scholarships, maintaining necessary records,  
2 and making collections under subsection (7) of this section. The  
3 ((board)) office shall maintain accurate records of these costs, and  
4 all receipts beyond those necessary to pay such costs shall be used to  
5 grant scholarships to eligible students.

6 (9) Sponsoring communities who financially contribute to the  
7 eligible financial expenses of eligible medical students may enter into  
8 agreements with the student to require repayment should the student not  
9 serve the required service obligation in the community as a primary  
10 care physician. The ((board)) office may develop criteria for the  
11 content of such agreements with respect to reasonable provisions and  
12 obligations between communities and eligible students.

13 (10) The ((board)) office may make exceptions to the conditions for  
14 participation and repayment obligations should circumstances beyond the  
15 control of individual participants warrant such exceptions. The  
16 ((board)) office shall establish an appeal process by rule.

17 **Sec. 210.** RCW 28B.115.130 and 1991 c 332 s 28 are each amended to  
18 read as follows:

19 (1) Any funds appropriated by the legislature for the health  
20 professional loan repayment and scholarship program or any other public  
21 or private funds intended for loan repayments or scholarships under  
22 this program shall be placed in the account created by this section.

23 (2) The health professional loan repayment and scholarship program  
24 fund is created in custody of the state treasurer. All receipts from  
25 the program shall be deposited into the fund. Only the ((higher  
26 education coordinating board)) office, or its designee, may authorize  
27 expenditures from the fund. The fund is subject to allotment  
28 procedures under chapter 43.88 RCW, but no appropriation is required  
29 for expenditures.

30 **Sec. 211.** RCW 28B.115.140 and 1989 1st ex.s. c 9 s 722 are each  
31 amended to read as follows:

32 After consulting with the ((higher education coordinating board))  
33 office, the governor may transfer the administration of this program to  
34 another agency with an appropriate mission.

1       **Sec. 212.** RCW 28B.116.010 and 2005 c 215 s 2 are each amended to  
2 read as follows:

3       Unless the context clearly requires otherwise, the definitions in  
4 this section apply throughout this chapter.

5       (1) "Institution of higher education" means a college or university  
6 in the state of Washington that is accredited by an accrediting  
7 association recognized as such by rule of the higher education  
8 coordinating board.

9       (2) "Eligible student" means a student who:

10       (a) Is between the ages of sixteen and twenty-three;

11       (b) Has been in foster care in the state of Washington for a  
12 minimum of six months since his or her fourteenth birthday;

13       (c) Is a financially needy student, as defined in RCW 28B.92.030;

14       (d) Is a resident student, as defined in RCW 28B.15.012(2);

15       (e) Has entered or will enter an institution of higher education in  
16 Washington state within three years of high school graduation or having  
17 successfully completed his or her GED;

18       (f) Is not pursuing a degree in theology; and

19       (g) Makes satisfactory progress towards the completion of a degree  
20 or certificate program.

21       (3) "Cost of attendance" means the cost associated with the  
22 attendance of the institution of higher education as determined by the  
23 (~~higher education coordinating board~~) office of student financial  
24 assistance, including but not limited to tuition, room, board, and  
25 books.

26       (4) "Office" means the office of student financial assistance.

27       **Sec. 213.** RCW 28B.116.020 and 2009 c 560 s 20 are each amended to  
28 read as follows:

29       (1) The foster care endowed scholarship program is created. The  
30 purpose of the program is to help students who were in foster care  
31 attend an institution of higher education in the state of Washington.  
32 The foster care endowed scholarship program shall be administered by  
33 the (~~higher education coordinating board~~) office.

34       (2) In administering the program, the (~~higher education~~  
35 ~~coordinating board's~~) office's powers and duties shall include but not  
36 be limited to:

37       (a) Adopting necessary rules and guidelines; and

1 (b) Administering the foster care endowed scholarship trust fund  
2 and the foster care scholarship endowment fund.

3 (3) In administering the program, the (~~higher education~~  
4 ~~coordinating board's~~) office's powers and duties may include but not  
5 be limited to:

6 (a) Working with the department of social and health services and  
7 the superintendent of public instruction to provide information about  
8 the foster care endowed scholarship program to children in foster care  
9 in the state of Washington and to students over the age of sixteen who  
10 could be eligible for this program;

11 (b) Publicizing the program; and

12 (c) Contracting with a private agency to perform outreach to the  
13 potentially eligible students.

14 **Sec. 214.** RCW 28B.116.030 and 2005 c 215 s 4 are each amended to  
15 read as follows:

16 (1) The (~~higher education coordinating board~~) office may award  
17 scholarships to eligible students from the foster care scholarship  
18 endowment fund in RCW 28B.116.060, from funds appropriated to the board  
19 for this purpose, from any private donations, or from any other funds  
20 given to the (~~board~~) office for the program.

21 (2) The (~~board~~) office may award scholarships to eligible  
22 students from moneys earned from the foster care scholarship endowment  
23 fund created in RCW 28B.116.060, or from funds appropriated to the  
24 board for this purpose, or from any private donations, or from any  
25 other funds given to the (~~board~~) office for this program. For an  
26 undergraduate student, the amount of the scholarship shall not exceed  
27 the student's demonstrated financial need. For a graduate student, the  
28 amount of the scholarship shall not exceed the student's demonstrated  
29 need; or the stipend of a teaching assistant, including tuition, at the  
30 University of Washington; whichever is higher. In calculating a  
31 student's need, the (~~board~~) office shall consider the student's costs  
32 for tuition, fees, books, supplies, transportation, room, board,  
33 personal expenses, and child care. The student's scholarship awarded  
34 under this chapter shall not exceed the amount received by a student  
35 attending a state research university. A student is eligible to  
36 receive a scholarship for a maximum of five years. However, the length

1 of the scholarship shall be determined at the discretion of the  
2 ((~~board~~)) office.

3 (3) Grants under this chapter shall not affect eligibility for the  
4 state student financial aid program.

5 **Sec. 215.** RCW 28B.116.050 and 2005 c 215 s 6 are each amended to  
6 read as follows:

7 (1) The foster care endowed scholarship trust fund is created in  
8 the custody of the state treasurer.

9 (2) Funds appropriated by the legislature for the foster care  
10 endowed scholarship trust fund shall be deposited in the foster care  
11 endowed scholarship trust fund. When conditions in RCW 28B.116.070 are  
12 met, the ((~~higher education coordinating board~~)) office shall deposit  
13 state matching moneys from the trust fund into the foster care  
14 scholarship endowment fund.

15 (3) No appropriation is required for expenditures from the trust  
16 fund.

17 **Sec. 216.** RCW 28B.116.060 and 2007 c 73 s 3 are each amended to  
18 read as follows:

19 The foster care scholarship endowment fund is created in the  
20 custody of the state treasurer. The investment of the endowment fund  
21 shall be managed by the state investment board.

22 (1) Moneys received from the ((~~higher education coordinating~~  
23 ~~board~~)) office, private donations, state matching moneys, and funds  
24 received from any other source may be deposited into the foster care  
25 scholarship endowment fund. Private moneys received as a gift subject  
26 to conditions may be deposited into the endowment fund if the  
27 conditions do not violate state or federal law.

28 (2) At the request of the ((~~higher education coordinating board~~))  
29 office, the state investment board shall release earnings from the  
30 endowment fund to the state treasurer. The state treasurer shall then  
31 release those funds at the request of the ((~~higher education~~  
32 ~~coordinating board~~)) office for scholarships. No appropriation is  
33 required for expenditures from the endowment fund.

34 (3) The ((~~higher education coordinating board~~)) office may disburse  
35 grants to eligible students from the foster care scholarship endowment

1 fund. No appropriation is required for expenditures from the endowment  
2 fund.

3 (4) When notified by court order that a condition attached to a  
4 gift of private moneys from the foster care scholarship endowment fund  
5 has failed, the (~~higher education coordinating board~~) office shall  
6 release those moneys to the donors according to the terms of the  
7 conditional gift.

8 (5) The principal of the foster care scholarship endowment fund  
9 shall not be invaded. For the purposes of this section, only the first  
10 twenty-five thousand dollars deposited into the foster care scholarship  
11 endowment fund shall be considered the principal. The release of  
12 moneys under subsection (4) of this section shall not constitute an  
13 invasion of the corpus.

14 (6) The foster care scholarship endowment fund shall be used solely  
15 for the purposes in this chapter, except when the conditional gift of  
16 private moneys in the endowment fund require a portion of the earnings  
17 on such moneys be reinvested in the endowment fund.

18 **Sec. 217.** RCW 28B.116.070 and 2005 c 215 s 8 are each amended to  
19 read as follows:

20 (1) The (~~higher education coordinating board~~) office may deposit  
21 twenty-five thousand dollars of state matching funds into the foster  
22 care scholarship endowment fund when the (~~board~~) office can match  
23 state funds with an equal amount of private cash donations.

24 (2) After the initial match of twenty-five thousand dollars, state  
25 matching funds from the foster care endowed scholarship trust fund  
26 shall be released to the foster care scholarship endowment fund  
27 semiannually so long as there are funds available in the foster care  
28 endowed scholarship trust fund.

29 **Sec. 218.** RCW 28B.117.020 and 2007 c 314 s 2 are each amended to  
30 read as follows:

31 The definitions in this section apply throughout this chapter  
32 unless the context clearly requires otherwise.

33 (1) "Cost of attendance" means the cost associated with attending  
34 a particular institution of higher education as determined by the  
35 (~~higher education coordinating board~~) office, including but not  
36 limited to tuition, fees, room, board, books, personal expenses, and

1 transportation, plus the cost of reasonable additional expenses  
2 incurred by an eligible student and approved by a financial aid  
3 administrator at the student's school of attendance.

4 (2) "Emancipated from foster care" means a person who was a  
5 dependent of the state in accordance with chapter 13.34 RCW and who was  
6 receiving foster care in the state of Washington when he or she reached  
7 his or her eighteenth birthday.

8 (3) "Financial need" means the difference between a student's cost  
9 of attendance and the student's total family contribution as determined  
10 by the method prescribed by the United States department of education.

11 (4) "Independent college or university" means a private, nonprofit  
12 institution of higher education, open to residents of the state,  
13 providing programs of education beyond the high school level leading to  
14 at least the baccalaureate degree, and accredited by the Northwest  
15 association of schools and colleges, and other institutions as may be  
16 developed that are approved by the (~~higher education coordinating~~)  
17 board as meeting equivalent standards as those institutions accredited  
18 under this section.

19 (5) "Institution of higher education" means:

20 (a) Any public university, college, community college, or technical  
21 college operated by the state of Washington or any political  
22 subdivision thereof; or

23 (b) Any independent college or university in Washington; or

24 (c) Any other university, college, school, or institute in the  
25 state of Washington offering instruction beyond the high school level  
26 that is a member institution of an accrediting association recognized  
27 by rule of the higher education coordinating board for the purposes of  
28 this section: PROVIDED, That any institution, branch, extension, or  
29 facility operating within the state of Washington that is affiliated  
30 with an institution operating in another state must be a separately  
31 accredited member institution of any such accrediting association, or  
32 a branch of a member institution of an accrediting association  
33 recognized by rule of the board for purposes of this section, that is  
34 eligible for federal student financial aid assistance and has operated  
35 as a nonprofit college or university delivering on-site classroom  
36 instruction for a minimum of twenty consecutive years within the state  
37 of Washington, and has an annual enrollment of at least seven hundred  
38 full-time equivalent students.

1 (6) "Office" means the office of student financial assistance.

2 (7) "Program" means the passport to college promise pilot program  
3 created in this chapter.

4 **Sec. 219.** RCW 28B.117.030 and 2007 c 314 s 4 are each amended to  
5 read as follows:

6 (1) The (~~(higher education coordinating board)~~) office shall design  
7 and, to the extent funds are appropriated for this purpose, implement,  
8 a program of supplemental scholarship and student assistance for  
9 students who have emancipated from the state foster care system after  
10 having spent at least one year in care.

11 (2) The (~~board~~) office shall convene and consult with an advisory  
12 committee to assist with program design and implementation. The  
13 committee shall include but not be limited to former foster care youth  
14 and their advocates; representatives from the state board for community  
15 and technical colleges, and from public and private agencies that  
16 assist current and former foster care recipients in their transition to  
17 adulthood; and student support specialists from public and private  
18 colleges and universities.

19 (3) To the extent that sufficient funds have been appropriated for  
20 this purpose, a student is eligible for assistance under this section  
21 if he or she:

22 (a) Emancipated from foster care on or after January 1, 2007, after  
23 having spent at least one year in foster care subsequent to his or her  
24 sixteenth birthday;

25 (b) Is a resident student, as defined in RCW 28B.15.012(2);

26 (c) Is enrolled with or will enroll on at least a half-time basis  
27 with an institution of higher education in Washington state by the age  
28 of twenty-one;

29 (d) Is making satisfactory academic progress toward the completion  
30 of a degree or certificate program, if receiving supplemental  
31 scholarship assistance;

32 (e) Has not earned a bachelor's or professional degree; and

33 (f) Is not pursuing a degree in theology.

34 (4) A passport to college scholarship under this section:

35 (a) Shall not exceed resident undergraduate tuition and fees at the  
36 highest-priced public institution of higher education in the state; and



1 (b) Shall not exceed the student's financial need, less a  
2 reasonable self-help amount defined by the board, when combined with  
3 all other public and private grant, scholarship, and waiver assistance  
4 the student receives.

5 (5) An eligible student may receive a passport to college  
6 scholarship under this section for a maximum of five years after the  
7 student first enrolls with an institution of higher education or until  
8 the student turns age twenty-six, whichever occurs first. If a student  
9 turns age twenty-six during an academic year, and would otherwise be  
10 eligible for a scholarship under this section, the student shall  
11 continue to be eligible for a scholarship for the remainder of the  
12 academic year.

13 (6) The (~~higher education coordinating board~~) office, in  
14 consultation with and with assistance from the state board for  
15 community and technical colleges, shall perform an annual analysis to  
16 verify that those institutions of higher education at which students  
17 have received a scholarship under this section have awarded the student  
18 all available need-based and merit-based grant and scholarship aid for  
19 which the student qualifies.

20 (7) In designing and implementing the passport to college student  
21 support program under this section, the (~~board~~) office, in  
22 consultation with and with assistance from the state board for  
23 community and technical colleges, shall ensure that a participating  
24 college or university:

25 (a) Has a viable plan for identifying students eligible for  
26 assistance under this section, for tracking and enhancing their  
27 academic progress, for addressing their unique needs for assistance  
28 during school vacations and academic interims, and for linking them to  
29 appropriate sources of assistance in their transition to adulthood;

30 (b) Receives financial and other incentives for achieving  
31 measurable progress in the recruitment, retention, and graduation of  
32 eligible students.

33 **Sec. 220.** RCW 28B.117.040 and 2007 c 314 s 5 are each amended to  
34 read as follows:

35 Effective operation of the passport to college promise pilot  
36 program requires early and accurate identification of former foster

1 care youth so that they can be linked to the financial and other  
2 assistance that will help them succeed in college. To that end:

3 (1) All institutions of higher education that receive funding for  
4 student support services under RCW 28B.117.030 shall include on their  
5 applications for admission or on their registration materials a  
6 question asking whether the applicant has been in foster care in  
7 Washington state for at least one year since his or her sixteenth  
8 birthday. All other institutions of higher education are strongly  
9 encouraged to include such a question. No institution may consider  
10 whether an applicant may be eligible for a scholarship or student  
11 support services under this chapter when deciding whether the applicant  
12 will be granted admission.

13 (2) The department of social and health services shall devise and  
14 implement procedures for efficiently, promptly, and accurately  
15 identifying students and applicants who are eligible for services under  
16 RCW 28B.117.030, and for sharing that information with the (~~higher  
17 education coordinating board~~) office and with institutions of higher  
18 education. The procedures shall include appropriate safeguards for  
19 consent by the applicant or student before disclosure.

20 **Sec. 221.** RCW 28B.117.050 and 2007 c 314 s 6 are each amended to  
21 read as follows:

22 (1) To the extent funds are appropriated for this purpose, the  
23 (~~higher education coordinating board~~) office, with input from the  
24 state board for community and technical colleges, the foster care  
25 partnership, and institutions of higher education, shall develop and  
26 maintain an internet web site and outreach program to serve as a  
27 comprehensive portal for foster care youth in Washington state to  
28 obtain information regarding higher education including, but not  
29 necessarily limited to:

30 (a) Academic, social, family, financial, and logistical information  
31 important to successful postsecondary educational success;

32 (b) How and when to obtain and complete college applications;

33 (c) What college placement tests, if any, are generally required  
34 for admission to college and when and how to register for such tests;

35 (d) How and when to obtain and complete a federal free application  
36 for federal student aid (FAFSA); and

1 (e) Detailed sources of financial aid likely available to eligible  
2 former foster care youth, including the financial aid provided by this  
3 chapter.

4 (2) The (~~board~~) office shall determine whether to design, build,  
5 and operate such program and web site directly or to use, support, and  
6 modify existing web sites created by government or nongovernmental  
7 entities for a similar purpose.

8 **Sec. 222.** RCW 28B.117.060 and 2007 c 314 s 7 are each amended to  
9 read as follows:

10 (1) To the extent funds are appropriated for this purpose, the  
11 department of social and health services, with input from the state  
12 board for community and technical colleges, the (~~higher education~~  
13 ~~coordinating board~~) office, and institutions of higher education,  
14 shall contract with at least one nongovernmental entity through a  
15 request for proposals process to develop, implement, and administer a  
16 program of supplemental educational transition planning for youth in  
17 foster care in Washington state.

18 (2) The nongovernmental entity or entities chosen by the department  
19 shall have demonstrated success in working with foster care youth and  
20 assisting foster care youth in successfully making the transition from  
21 foster care to independent adulthood.

22 (3) The selected nongovernmental entity or entities shall provide  
23 supplemental educational transition planning to foster care youth in  
24 Washington state beginning at age fourteen and then at least every six  
25 months thereafter. The supplemental transition planning shall include:

26 (a) Comprehensive information regarding postsecondary educational  
27 opportunities including, but not limited to, sources of financial aid,  
28 institutional characteristics and record of support for former foster  
29 care youth, transportation, housing, and other logistical  
30 considerations;

31 (b) How and when to apply to postsecondary educational programs;

32 (c) What precollege tests, if any, the particular foster care youth  
33 should take based on his or her postsecondary plans and when to take  
34 the tests;

35 (d) What courses to take to prepare the particular foster care  
36 youth to succeed at his or her postsecondary plans;

1 (e) Social, community, educational, logistical, and other issues  
2 that frequently impact college students and their success rates; and

3 (f) Which web sites, nongovernmental entities, public agencies, and  
4 other foster care youth support providers specialize in which services.

5 (4) The selected nongovernmental entity or entities shall work  
6 directly with the school counselors at the foster care youths' high  
7 schools to ensure that a consistent and complete transition plan has  
8 been prepared for each foster care youth who emancipates out of the  
9 foster care system in Washington state.

10 **Sec. 223.** RCW 28B.117.070 and 2007 c 314 s 8 are each amended to  
11 read as follows:

12 (1) The (~~higher education coordinating board~~) office of student  
13 financial assistance shall report to appropriate committees of the  
14 legislature by January 15, 2008, on the status of program design and  
15 implementation. The report shall include a discussion of proposed  
16 scholarship and student support service approaches; an estimate of the  
17 number of students who will receive such services; baseline information  
18 on the extent to which former foster care youth who meet the  
19 eligibility criteria in RCW 28B.117.030 have enrolled and persisted in  
20 postsecondary education; and recommendations for any statutory changes  
21 needed to promote achievement of program objectives.

22 (2) The state board for community and technical colleges and the  
23 (~~higher education coordinating board~~) office of student financial  
24 assistance shall monitor and analyze the extent to which eligible young  
25 people are increasing their participation, persistence, and progress in  
26 postsecondary education, and shall jointly submit a report on their  
27 findings to appropriate committees of the legislature by December 1,  
28 2009, and by December 1, 2011.

29 (3) The Washington state institute for public policy shall complete  
30 an evaluation of the passport to college promise pilot program and  
31 shall submit a report to appropriate committees of the legislature by  
32 December 1, 2012. The report shall estimate the impact of the program  
33 on eligible students' participation and success in postsecondary  
34 education, and shall include recommendations for program revision and  
35 improvement.

1       **Sec. 224.** RCW 28B.118.010 and 2008 c 321 s 9 are each amended to  
2 read as follows:

3       The (~~higher education coordinating board~~) office of student  
4 financial assistance shall design the Washington college bound  
5 scholarship program in accordance with this section.

6       (1) "Eligible students" are those students who qualify for free or  
7 reduced-price lunches. If a student qualifies in the seventh grade,  
8 the student remains eligible even if the student does not receive free  
9 or reduced-price lunches thereafter.

10       (2) Eligible students shall be notified of their eligibility for  
11 the Washington college bound scholarship program beginning in their  
12 seventh grade year. Students shall also be notified of the  
13 requirements for award of the scholarship.

14       (3) To be eligible for a Washington college bound scholarship, a  
15 student must sign a pledge during seventh or eighth grade that includes  
16 a commitment to graduate from high school with at least a C average and  
17 with no felony convictions. Students who were in the eighth grade  
18 during the 2007-08 school year may sign the pledge during the 2008-09  
19 school year. The pledge must be witnessed by a parent or guardian and  
20 forwarded to the (~~higher education coordinating board~~) office of  
21 student financial assistance by mail or electronically, as indicated on  
22 the pledge form.

23       (4)(a) Scholarships shall be awarded to eligible students  
24 graduating from public high schools, approved private high schools  
25 under chapter 28A.195 RCW, or who received home-based instruction under  
26 chapter 28A.200 RCW.

27       (b) To receive the Washington college bound scholarship, a student  
28 must graduate with at least a "C" average from a public high school or  
29 an approved private high school under chapter 28A.195 RCW in Washington  
30 or have received home-based instruction under chapter 28A.200 RCW, must  
31 have no felony convictions, and must be a resident student as defined  
32 in RCW 28B.15.012(2) (a) through (d).

33       (5) A student's family income will be assessed upon graduation  
34 before awarding the scholarship.

35       (6) If at graduation from high school the student's family income  
36 does not exceed sixty-five percent of the state median family income,  
37 scholarship award amounts shall be as provided in this section.

1 (a) For students attending two or four-year institutions of higher  
2 education as defined in RCW 28B.10.016, the value of the award shall be  
3 (i) the difference between the student's tuition and required fees,  
4 less the value of any state-funded grant, scholarship, or waiver  
5 assistance the student receives; (ii) plus five hundred dollars for  
6 books and materials.

7 (b) For students attending private four-year institutions of higher  
8 education in Washington, the award amount shall be the representative  
9 average of awards granted to students in public research universities  
10 in Washington.

11 (c) For students attending private vocational schools in  
12 Washington, the award amount shall be the representative average of  
13 awards granted to students in public community and technical colleges  
14 in Washington.

15 (7) Recipients may receive no more than four full-time years' worth  
16 of scholarship awards.

17 (8) Institutions of higher education shall award the student all  
18 need-based and merit-based financial aid for which the student would  
19 otherwise qualify. The Washington college bound scholarship is  
20 intended to replace unmet need, loans, and, at the student's option,  
21 work-study award before any other grants or scholarships are reduced.

22 (9) The first scholarships shall be awarded to students graduating  
23 in 2012.

24 (10) The state of Washington retains legal ownership of tuition  
25 units awarded as scholarships under this chapter until the tuition  
26 units are redeemed. These tuition units shall remain separately held  
27 from any tuition units owned under chapter 28B.95 RCW by a Washington  
28 college bound scholarship recipient.

29 (11) The scholarship award must be used within five years of  
30 receipt. Any unused scholarship tuition units revert to the Washington  
31 college bound scholarship account.

32 (12) Should the recipient terminate his or her enrollment for any  
33 reason during the academic year, the unused portion of the scholarship  
34 tuition units shall revert to the Washington college bound scholarship  
35 account.

36 **Sec. 225.** RCW 28B.118.020 and 2007 c 405 s 3 are each amended to  
37 read as follows:

1 The office of the superintendent of public instruction shall:

2 (1) Notify elementary, middle, and junior high schools about the  
3 Washington college bound scholarship program using methods in place for  
4 communicating with schools and school districts; and

5 (2) Work with the (~~higher education coordinating board~~) office of  
6 student financial assistance to develop application collection and  
7 student tracking procedures.

8 **Sec. 226.** RCW 28B.118.040 and 2007 c 405 s 5 are each amended to  
9 read as follows:

10 The (~~higher education coordinating board~~) office of student  
11 financial assistance shall:

12 (1) With the assistance of the office of the superintendent of  
13 public instruction, implement and administer the Washington college  
14 bound scholarship program;

15 (2) Develop and distribute, to all schools with students enrolled  
16 in grade seven or eight, a pledge form that can be completed and  
17 returned electronically or by mail by the student or the school to the  
18 (~~higher education coordinating board~~) office of student financial  
19 assistance;

20 (3) Develop and implement a student application, selection, and  
21 notification process for scholarships;

22 (4) Track scholarship recipients to ensure continued eligibility  
23 and determine student compliance for awarding of scholarships;

24 (5) Subject to appropriation, deposit funds into the state  
25 educational trust fund;

26 (6) Purchase tuition units under the advanced college tuition  
27 payment program in chapter 28B.95 RCW to be owned and held in trust by  
28 the board, for the purpose of scholarship awards as provided for in  
29 this section; and

30 (7) Distribute scholarship funds, in the form of tuition units  
31 purchased under the advanced college tuition payment program in chapter  
32 28B.95 RCW or through direct payments from the state educational trust  
33 fund, to institutions of higher education on behalf of scholarship  
34 recipients identified by the (~~board~~) office, as long as recipients  
35 maintain satisfactory academic progress.

1           **Sec. 227.** RCW 28B.118.050 and 2007 c 405 s 6 are each amended to  
2 read as follows:

3           The (~~higher education coordinating board~~) office of student  
4 financial assistance may accept grants, gifts, bequests, and devises of  
5 real and personal property from any source for the purpose of granting  
6 financial aid in addition to that funded by the state.

7           **Sec. 228.** RCW 28B.118.060 and 2007 c 405 s 7 are each amended to  
8 read as follows:

9           The (~~higher education coordinating board~~) office of student  
10 financial assistance may adopt rules to implement this chapter.

11           **Sec. 229.** RCW 28B.119.010 and 2004 c 275 s 60 are each amended to  
12 read as follows:

13           The (~~higher education coordinating board~~) office of student  
14 financial assistance shall design the Washington promise scholarship  
15 program based on the following parameters:

16           (1) Scholarships shall be awarded to students graduating from  
17 public and approved private high schools under chapter 28A.195 RCW,  
18 students participating in home-based instruction as provided in chapter  
19 28A.200 RCW, and persons twenty-one years of age or younger receiving  
20 a GED certificate, who meet both an academic and a financial  
21 eligibility criteria.

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

23           (i) Beginning with the graduating class of 2002, students  
24 graduating from public and approved private high schools under chapter  
25 28A.195 RCW must be in the top fifteen percent of their graduating  
26 class, as identified by each respective high school at the completion  
27 of the first term of the student's senior year; or

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



1 (b) To meet the financial eligibility criteria, a student's family  
2 income shall not exceed one hundred thirty-five percent of the state  
3 median family income adjusted for family size, as determined by the  
4 (~~higher education coordinating board~~) office of student financial  
5 assistance for each graduating class. Students not meeting the  
6 eligibility requirements for the first year of scholarship benefits may  
7 reapply for the second year of benefits, but must still meet the income  
8 standard set by the (~~board~~) office for the student's graduating  
9 class.

10 (2) Promise scholarships are not intended to supplant any grant,  
11 scholarship, or tax program related to postsecondary education. If the  
12 (~~board~~) office of student financial assistance finds that promise  
13 scholarships supplant or reduce any grant, scholarship, or tax program  
14 for categories of students, then the (~~board~~) office shall adjust the  
15 financial eligibility criteria or the amount of scholarship to the  
16 level necessary to avoid supplanting.

17 (3) Within available funds, each qualifying student shall receive  
18 two consecutive annual awards, the value of each not to exceed the  
19 full-time annual resident tuition rates charged by Washington's  
20 community colleges. The (~~higher education coordinating board~~) office  
21 of student financial assistance shall award scholarships to as many  
22 students as possible from among those qualifying under this section.

23 (4) By October 15th of each year, the (~~board~~) office of student  
24 financial assistance shall determine the award amount of the  
25 scholarships, after taking into consideration the availability of  
26 funds.

27 (5) The scholarships may only be used for undergraduate coursework  
28 at accredited institutions of higher education in the state of  
29 Washington.

30 (6) The scholarships may be used for undergraduate coursework at  
31 Oregon institutions of higher education that are part of the border  
32 county higher education opportunity project in RCW 28B.76.685 when  
33 those institutions offer programs not available at accredited  
34 institutions of higher education in Washington state.

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

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

3 (9) The (~~higher education coordinating board~~) office of student  
4 financial assistance may establish satisfactory progress standards for  
5 the continued receipt of the promise scholarship.

6 (10) The (~~higher education coordinating board~~) office of student  
7 financial assistance shall establish the time frame within which the  
8 student must use the scholarship.

9 **Sec. 230.** RCW 28B.119.020 and 2002 c 204 s 3 are each amended to  
10 read as follows:

11 The (~~higher education coordinating board~~) office of student  
12 financial assistance, with the assistance of the office of the  
13 superintendent of public instruction, shall implement and administer  
14 the Washington promise scholarship program described in RCW 28B.119.010  
15 as follows:

16 (1) The first scholarships shall be awarded to eligible students  
17 enrolling in postsecondary education in the 2002-03 academic year.

18 (2) The office of the superintendent of public instruction shall  
19 provide information to the (~~higher education coordinating board~~)  
20 office of student financial assistance that is necessary for  
21 implementation of the program. The (~~higher education coordinating~~  
22 ~~board~~) office of student financial assistance and the office of the  
23 superintendent of public instruction shall jointly establish a timeline  
24 and procedures necessary for accurate and timely data reporting.

25 (a) For students meeting the academic eligibility criteria as  
26 provided in RCW 28B.119.010(1)(a), the office of the superintendent of  
27 public instruction shall provide the (~~higher education coordinating~~  
28 ~~board~~) office of student financial assistance with student names,  
29 addresses, birth dates, and unique numeric identifiers.

30 (b) Public and approved private high schools under chapter 28A.195  
31 RCW shall provide requested information necessary for implementation of  
32 the program to the office of the superintendent of public instruction  
33 within the established timeline.

34 (c) All student data is confidential and may be used solely for the  
35 purposes of providing scholarships to eligible students.

36 (3) The (~~higher education coordinating board~~) office of student  
37 financial assistance may adopt rules to implement this chapter.

1       **Sec. 231.** RCW 28B.119.030 and 2004 c 275 s 71 are each amended to  
2 read as follows:

3       The Washington promise scholarship program shall not be funded at  
4 the expense of the state need grant program as defined in chapter  
5 28B.92 RCW. In administering the state need grant and promise  
6 scholarship programs, the (~~higher education coordinating board~~)  
7 office of student financial assistance shall first ensure that  
8 eligibility for state need grant recipients is at least fifty-five  
9 percent of state median family income.

10       **Sec. 232.** RCW 28B.119.050 and 2002 c 204 s 6 are each amended to  
11 read as follows:

12       (1) The Washington promise scholarship account is created in the  
13 custody of the state treasurer. The account shall be a nontreasury  
14 account retaining its interest earnings in accordance with RCW  
15 43.79A.040.

16       (2) The (~~higher education coordinating board~~) office of student  
17 financial assistance shall deposit in the account all money received  
18 for the program. The account shall be self-sustaining and consist of  
19 funds appropriated by the legislature for the Washington promise  
20 scholarship program, private contributions to the program, and refunds  
21 of Washington promise scholarships.

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

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

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

30       (6) Disbursements from the account shall be made only on the  
31 authorization of the (~~higher education coordinating board~~) office of  
32 student financial assistance.

33       **Sec. 233.** RCW 28B.120.020 and 2010 c 245 s 8 are each amended to  
34 read as follows:

35       The higher education coordinating board shall have the following

1 powers and duties in administering the program for those proposals in  
2 which a four-year institution of higher education is named as the lead  
3 institution and fiscal agent:

4 (1) To adopt rules necessary to carry out the program;

5 (2) To award grants no later than September 1st in those years when  
6 funding is available by June 30th;

7 (3) To establish each biennium specific guidelines for submitting  
8 grant proposals consistent with RCW 28B.120.005 and consistent with the  
9 strategic master plan for higher education, the system design plan, the  
10 overall goals of the program and the guidelines established by the  
11 state board for community and technical colleges under RCW 28B.120.025.

12 After June 30, 2001, and each biennium thereafter, the board shall  
13 determine funding priorities for proposals for the biennium in  
14 consultation with (~~the governor,~~) the legislature, the office of the  
15 superintendent of public instruction, the state board for community and  
16 technical colleges, the workforce training and education coordinating  
17 board, higher education institutions, educational associations, and  
18 business and community groups consistent with statewide needs;

19 (4) To solicit grant proposals and provide information to the  
20 institutions of higher education about the program; and

21 (5) To establish reporting, evaluation, accountability, monitoring,  
22 and dissemination requirements for the recipients of the grants awarded  
23 by the (~~higher education coordinating board~~) office of financial  
24 management.

25 **Sec. 234.** RCW 28B.133.030 and 2011 c 60 s 12 are each amended to  
26 read as follows:

27 (1) The students with dependents grant account is created in the  
28 custody of the state treasurer. All receipts from the program shall be  
29 deposited into the account. Only the (~~higher education coordinating~~  
30 ~~board~~) office of student financial assistance, or its designee, may  
31 authorize expenditures from the account. Disbursements from the  
32 account are exempt from appropriations and the allotment procedures  
33 under chapter 43.88 RCW.

34 (2) The (~~board~~) office may solicit and receive gifts, grants, or  
35 endowments from private sources that are made from time to time, in  
36 trust or otherwise, for the use and benefit of the purposes of the  
37 educational assistance grant program. The (~~executive~~) director, or

1 the (~~executive~~) director's designee, may spend gifts, grants, or  
2 endowments or income from the private sources according to their terms  
3 unless the receipt of the gifts, grants, or endowments violates RCW  
4 42.17A.560.

5 (3) The earnings on the account shall be used solely for the  
6 purposes in RCW 28B.133.010, except when the terms of a conditional  
7 gift of private moneys in the account require that a portion of  
8 earnings on such moneys be reinvested in the account.

9 **Sec. 235.** RCW 28B.133.040 and 2003 c 19 s 5 are each amended to  
10 read as follows:

11 The (~~higher education coordinating board~~) office of student  
12 financial assistance shall develop and administer the educational  
13 assistance grant program for students with dependents. In  
14 administering the program, once the balance in the students with  
15 dependents grant account is five hundred thousand dollars, the  
16 (~~board's~~) office's powers and duties shall include but not be limited  
17 to:

- 18 (1) Adopting necessary rules and guidelines;
- 19 (2) Publicizing the program;
- 20 (3) Accepting and depositing donations into the grant account  
21 established in RCW 28B.133.030; and
- 22 (4) Soliciting and accepting grants and donations from private  
23 sources for the program.

24 **Sec. 236.** RCW 28B.133.050 and 2004 c 275 s 74 are each amended to  
25 read as follows:

26 The educational assistance grant program for students with  
27 dependents grants may be used by eligible participants to attend any  
28 public or private college or university in the state of Washington as  
29 defined in RCW 28B.92.030. Each participating student may receive an  
30 amount to be determined by the (~~higher education coordinating board~~)  
31 office of student financial assistance, with a minimum amount of one  
32 thousand dollars per academic year, not to exceed the student's  
33 documented financial need for the course of study as determined by the  
34 institution.

35 Educational assistance grants for students with dependents are not  
36 intended to supplant any grant scholarship or tax program related to

1 postsecondary education. If the (~~higher education coordinating~~  
2 ~~board~~) office of student financial assistance finds that the  
3 educational assistance grants for students with dependents supplant or  
4 reduce any grant, scholarship, or tax program for categories of  
5 students, then the (~~higher education coordinating board~~) office shall  
6 adjust the financial eligibility criteria or the amount of the grant to  
7 the level necessary to avoid supplanting.

8 **Sec. 237.** RCW 28B.135.010 and 2010 1st sp.s. c 9 s 5 are each  
9 amended to read as follows:

10 The four-year student child care in higher education account is  
11 established. The (~~higher education coordinating board~~) office of  
12 student financial assistance shall administer the program for the  
13 four-year institutions of higher education. Through (~~these~~) this  
14 program(~~s~~) the (~~board~~) office shall award either competitive or  
15 matching child care grants to state institutions of higher education to  
16 encourage programs to address the need for high quality, accessible,  
17 and affordable child care for students at higher education  
18 institutions. The grants shall be used exclusively for the provision  
19 of quality child care services for students at institutions of higher  
20 education. The university or college administration and student  
21 government association, or its equivalent, of each institution  
22 receiving the award may contribute financial support in an amount equal  
23 to or greater than the child care grant received by the institution.

24 **Sec. 238.** RCW 28B.135.030 and 2008 c 162 s 3 are each amended to  
25 read as follows:

26 The (~~higher education coordinating board~~) office of student  
27 financial assistance shall have the following powers and duties in  
28 administering the program for the four-year institutions of higher  
29 education:

- 30 (1) To adopt rules necessary to carry out the program;
- 31 (2) To establish one or more review committees to assist in the  
32 evaluation of proposals for funding. The review committees may receive  
33 input from parents, educators, and other experts in the field of early  
34 childhood education for this purpose;
- 35 (3) To establish each biennium specific guidelines for submitting  
36 grant proposals consistent with the overall goals of the program. The

1 guidelines shall be consistent with the following desired outcomes of  
2 increasing access to quality child care for students, providing  
3 affordable child care alternatives for students, creating a partnership  
4 between university or college administrations, university or college  
5 foundations, and student government associations, or their equivalents;

6 (4) To proportionally distribute the amount of money available in  
7 the trust fund based on the financial support for child care received  
8 by the student government associations or their equivalents. Student  
9 government associations may solicit funds from private organizations  
10 and targeted fund-raising campaigns as part of their financial support  
11 for child care;

12 (5) To solicit grant proposals and provide information to the  
13 institutions of higher education about the program;

14 (6) To establish reporting, evaluation, accountability, monitoring,  
15 and dissemination requirements for the recipients of the grants; and

16 ~~((7) To report to the appropriate committees of the legislature by  
17 December 15, 2008, and every two years thereafter, on the status of  
18 program design and implementation at the four-year institutions of  
19 higher education. The report shall include but not be limited to  
20 summary information on the institutions receiving child care grant  
21 allocations, the amount contributed by each university or college  
22 administration and student government association for the purposes of  
23 child care including expenditures and reports for the previous  
24 biennium, services provided by each institutional child care center,  
25 the number of students using such services, and identifiable unmet  
26 need.))~~

27 **Sec. 239.** RCW 28B.135.040 and 2010 1st sp.s. c 9 s 4 are each  
28 amended to read as follows:

29 The four-year student child care in higher education account is  
30 established in the custody of the state treasurer. Moneys in the  
31 account may be spent only for the purposes of RCW 28B.135.010.  
32 Disbursements from the account shall be on the authorization of the  
33 ~~((higher education coordinating board))~~ office of student financial  
34 assistance. The account is subject to the allotment procedures under  
35 chapter 43.88 RCW, but no appropriation is required for disbursements.

1           **Sec. 240.** RCW 28C.18.166 and 2009 c 238 s 5 are each amended to  
2 read as follows:

3           On an annual basis, each opportunity internship consortium shall  
4 provide the board with a list of the opportunity internship graduates  
5 from the consortium. The board shall compile the lists from all  
6 consortia and shall notify the (~~higher education coordinating board~~)  
7 office of student financial assistance of the eligibility of each  
8 graduate on the lists to receive a state need grant under chapter  
9 28B.92 RCW if the graduate enrolls in a postsecondary program of study  
10 within one year of high school graduation.

11           **Sec. 241.** RCW 39.86.130 and 2010 1st sp.s. c 6 s 7 are each  
12 amended to read as follows:

13           (1) In granting an allocation, reallocation, or carryforward of the  
14 state ceiling as provided in this chapter, the agency shall consider  
15 existing state priorities and other such criteria, including but not  
16 limited to, the following criteria:

17           (a) Need of issuers to issue bonds within a bond use category  
18 subject to a state ceiling;

19           (b) Amount of the state ceiling available;

20           (c) Public benefit and purpose to be satisfied, including economic  
21 development, educational opportunity, and public health, safety, or  
22 welfare;

23           (d) Cost or availability of alternative methods of financing for  
24 the project or program; and

25           (e) Certainty of using the allocation which is being requested.

26           (2) In determining whether to allocate an amount of the state  
27 ceiling to an issuer within any bond use category, the agency shall  
28 consider, but is not limited to, the following criteria for each of the  
29 bond use categories:

30           (a) Housing: Criteria which comply with RCW 43.180.200.

31           (b) Student loans: Criteria which comply with the applicable  
32 provisions of Title 28B RCW and rules adopted by the (~~higher education~~  
33 ~~coordinating board~~) office of student financial assistance or  
34 applicable state agency dealing with student financial aid.

35           (c) Small issue: Factors which may include:

36           (i) The number of employment opportunities the project is likely to  
37 create or retain in relation to the amount of the bond issuance;



1 (ii) The level of unemployment existing in the geographic area  
2 likely to be affected by the project;

3 (iii) A commitment to providing employment opportunities to low-  
4 income persons in cooperation with the employment security department;

5 (iv) Geographic distribution of projects;

6 (v) The number of persons who will benefit from the project;

7 (vi) Consistency with criteria identified in subsection (1) of this  
8 section; and

9 (vii) Order in which requests were received.

10 (d) Exempt facility or redevelopment: Factors which may include:

11 (i) State issuance needs;

12 (ii) Consistency with criteria identified in subsection (1) of this  
13 section;

14 (iii) Order in which requests were received;

15 (iv) The proportionate number of persons in relationship to the  
16 size of the community who will benefit from the project; and

17 (v) The unique timing and issuance needs of large scale projects  
18 that may require allocations in more than one year.

19 (e) Public utility: Factors which may include:

20 (i) Consistency with criteria identified in subsection (1) of this  
21 section; and

22 (ii) Timing needs for issuance of bonds over a multi-year period.

23 NEW SECTION. **Sec. 242.** The following acts or parts of acts, as  
24 now existing or hereafter amended, are each repealed, effective July 1,  
25 2012:

26 (1) RCW 28B.15.736 (Washington/Oregon reciprocity tuition and fee  
27 program--Program review) and 1985 c 370 s 72, 1983 c 104 s 2, & 1979 c  
28 80 s 4;

29 (2) RCW 28B.76.010 (Board created) and 1985 c 370 s 1;

30 (3) RCW 28B.76.030 (Purpose) and 2004 c 275 s 1;

31 (4) RCW 28B.76.040 (Members--Appointment) and 2002 c 348 s 1, 2002  
32 c 129 s 1, & 1985 c 370 s 10;

33 (5) RCW 28B.76.050 (Members--Terms) and 2007 c 458 s 101, 2004 c  
34 275 s 3, 2002 c 129 s 2, & 1985 c 370 s 11;

35 (6) RCW 28B.76.060 (Members--Vacancies) and 1985 c 370 s 12;

36 (7) RCW 28B.76.070 (Bylaws--Meetings) and 1985 c 370 s 13;

1 (8) RCW 28B.76.080 (Members--Compensation and travel expenses) and  
2 1985 c 370 s 16, 1984 c 287 s 65, 1975-'76 2nd ex.s. c 34 s 77, & 1969  
3 ex.s. c 277 s 12;

4 (9) RCW 28B.76.200 (Statewide strategic master plan for higher  
5 education--Institution-level strategic plans) and 2007 c 458 s 201,  
6 2004 c 275 s 6, & 2003 c 130 s 2;

7 (10) RCW 28B.76.260 (Statewide system of course equivalency--Work  
8 group) and 2004 c 55 s 3;

9 (11) RCW 28B.76.280 (Data collection and research--Privacy  
10 protection) and 2010 1st sp.s. c 7 s 58 & 2004 c 275 s 12;

11 (12) RCW 28B.76.330 (Coordination, articulation, and transitions  
12 among systems of education--Biennial updates to legislature) and 2004  
13 c 275 s 17 & 1994 c 222 s 3; and

14 (13) RCW 28B.76.530 (Board may develop and administer demonstration  
15 projects) and 1989 c 306 s 2.

16 NEW SECTION. **Sec. 243.** (1) All powers, duties, and functions of  
17 the higher education coordinating board pertaining to student financial  
18 assistance are transferred to the office of student financial  
19 assistance. All references to the executive director or the higher  
20 education coordinating board in the Revised Code of Washington shall be  
21 construed to mean the director or the office of student financial  
22 assistance when referring to the functions transferred in this section.

23 (2)(a) All reports, documents, surveys, books, records, files,  
24 papers, or written material in the possession of the higher education  
25 coordinating board pertaining to the powers, functions, and duties  
26 transferred shall be delivered to the custody of the office of student  
27 financial assistance. All cabinets, furniture, office equipment, motor  
28 vehicles, and other tangible property employed by the higher education  
29 coordinating board in carrying out the powers, functions, and duties  
30 transferred shall be made available to the office of student financial  
31 assistance. All funds, credits, or other assets held in connection  
32 with the powers, functions, and duties transferred shall be assigned to  
33 the office of student financial assistance.

34 (b) Any appropriations made to the higher education coordinating  
35 board for carrying out the powers, functions, and duties transferred  
36 shall, on the effective date of this section, be transferred and  
37 credited to the office of student financial assistance.

1 (c) Whenever any question arises as to the transfer of any  
2 personnel, funds, books, documents, records, papers, files, equipment,  
3 or other tangible property used or held in the exercise of the powers  
4 and the performance of the duties and functions transferred, the  
5 director of financial management shall make a determination as to the  
6 proper allocation and certify the same to the state agencies concerned.

7 (3) All employees of the higher education coordinating board  
8 engaged in performing the powers, functions, and duties transferred are  
9 transferred to the jurisdiction of the office of student financial  
10 assistance. All employees classified under chapter 41.06 RCW, the  
11 state civil service law, are assigned to the office of student  
12 financial assistance to perform their usual duties upon the same terms  
13 as formerly, without any loss of rights, subject to any action that may  
14 be appropriate thereafter in accordance with the laws and rules  
15 governing state civil service.

16 (4) All rules and all pending business before the higher education  
17 coordinating board pertaining to the powers, functions, and duties  
18 transferred shall be continued and acted upon by the office of student  
19 financial assistance. All existing contracts and obligations shall  
20 remain in full force and shall be performed by the office of student  
21 financial assistance.

22 (5) The transfer of the powers, duties, functions, and personnel of  
23 the higher education coordinating board shall not affect the validity  
24 of any act performed before the effective date of this section.

25 (6) If apportionments of budgeted funds are required because of the  
26 transfers directed by this section, the director of financial  
27 management shall certify the apportionments to the agencies affected,  
28 the state auditor, and the state treasurer. Each of these shall make  
29 the appropriate transfer and adjustments in funds and appropriation  
30 accounts and equipment records in accordance with the certification.

31 (7) All classified employees of the higher education coordinating  
32 board assigned to the office of student financial assistance under this  
33 section whose positions are within an existing bargaining unit  
34 description at the office of student financial assistance shall become  
35 a part of the existing bargaining unit at the office of student  
36 financial assistance and shall be considered an appropriate inclusion  
37 or modification of the existing bargaining unit under the provisions of  
38 chapter 41.80 RCW.

1 PART II

2 COUNCIL FOR HIGHER EDUCATION

3 NEW SECTION. **Sec. 301.** On July 1, 2012, the higher education  
4 coordinating board is abolished and the council for higher education is  
5 created, subject to the recommendations of the higher education  
6 steering committee established in section 302, chapter ..., Laws of  
7 2011 1st sp. sess. (section 302 of this act) and implementing  
8 legislation enacted by the 2012 legislature.

9 NEW SECTION. **Sec. 302.** (1) The higher education steering  
10 committee is created.

11 (2) Members of the steering committee include: The governor or the  
12 governor's designee, who shall chair the committee; two members from  
13 the house of representatives, with one from each of the two major  
14 caucuses, appointed by the speaker of the house of representatives; two  
15 members from the senate, with one appointed from each of the two major  
16 caucuses, appointed by the president of the senate; an equal  
17 representation from the key sectors of the higher education system in  
18 the state; and at least two members representing the public as  
19 appointed by the governor.

20 (3) The steering committee shall review coordination, planning, and  
21 communication for higher education in the state and establish the  
22 purpose and functions of the council for higher education.  
23 Specifically, the steering committee shall consider options for the  
24 following:

25 (a) Creating an effective and efficient higher education system and  
26 coordinating key sectors including through the P-20 system;

27 (b) Improving the coordination of institutions of higher education  
28 and sectors with specific attention to strategic planning, system  
29 design, and transfer and articulation;

30 (c) Improving structures and functions related to administration  
31 and regulation of the state's higher education institutions and  
32 programs, including but not limited to financial aid, the advanced  
33 college tuition payment program, federal grant administration, new  
34 degree program approval, authorization to offer degrees in the state,  
35 reporting performance data, and minimum admission standards; and

1 (d) The composition and mission of the council for higher  
2 education.

3 (4) The steering committee shall consider input from higher  
4 education stakeholders, including but not limited to the higher  
5 education coordinating board, the state board for community and  
6 technical colleges, the community and technical colleges system,  
7 private, nonprofit baccalaureate degree-granting institutions, the  
8 office of the superintendent of public instruction, the workforce  
9 training and education coordinating board, the four-year institutions  
10 of higher education, students, faculty, business and labor  
11 organizations, and members of the public.

12 (5) Staff support for the steering committee must be provided by  
13 the office of financial management.

14 (6) The steering committee shall report its findings and  
15 recommendations, including proposed legislation, to the governor and  
16 appropriate committees of the legislature by December 1, 2011.

17 (7) This section expires July 1, 2012.

18 **PART III**  
19 **MISCELLANEOUS PROVISIONS**

20 NEW SECTION. **Sec. 401.** Section 301 of this act constitutes a new  
21 chapter in Title 28B RCW.

22 NEW SECTION. **Sec. 402.** Sections 218 through 223 of this act  
23 expire June 30, 2013.

24 NEW SECTION. **Sec. 403.** Sections 101 through 242 and 301 of this  
25 act take effect July 1, 2012.

26 NEW SECTION. **Sec. 404.** Section 302 of this act is necessary for  
27 the immediate preservation of the public peace, health, or safety, or  
28 support of the state government and its existing public institutions,  
29 and takes effect July 1, 2011."

30 Correct the title.

EFFECT: Retains the provisions that create an Office of Student

Financial Assistance and that transfer the current financial aid program management under the Higher Education Coordinating Board to the new Office of Student Financial Assistance to be effective July 1, 2012.

Eliminates the Higher Education Coordinating Board on July 1, 2012, and establishes a Council for Higher Education, subject to recommendations of a Steering Committee on Higher Education and legislation enacted in 2012.

Creates a Steering Committee on Higher Education to establish the purpose and functions of the Council for Higher Education to be chaired by the Governor or her designee and include four legislators and equal representation from higher education sectors in the state.

--- END ---