
SUBSTITUTE HOUSE BILL 1846

State of Washington

62nd Legislature

2011 Regular Session

By House Labor & Workforce Development (originally sponsored by Representatives Eddy, Smith, Morris, Probst, Sells, Springer, Warnick, Llias, Stanford, and Maxwell)

READ FIRST TIME 02/17/11.

1 AN ACT Relating to the aerospace training student loan program; and
2 adding a new chapter to Title 28B RCW.

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

4 NEW SECTION. **Sec. 1.** The definitions in this section apply
5 throughout this chapter unless the context clearly requires otherwise.

6 (1) "Aerospace training or educational program" means a course in
7 the aerospace industry as offered either by the Washington aerospace
8 training and research center or the Spokane aerospace technology
9 center.

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

11 (3) "Eligible student" means a student who is registered for an
12 aerospace training or educational program, is making satisfactory
13 progress as defined by the program, and has a declared intention to
14 work in the aerospace industry in the state of Washington.

15 (4) "Participant" means an eligible student who has received an
16 aerospace training student loan.

17 (5) "Student loan" means a loan that is approved by the board and
18 awarded to an eligible student.

1 NEW SECTION. **Sec. 2.** The aerospace training student loan program
2 is established. The program shall be administered by the board. In
3 administering the program, the board has the following powers and
4 duties:

5 (1) To screen and select, in coordination with the Aerospace
6 Futures Alliance, eligible students to receive an aerospace training
7 student loan;

8 (2) To adopt necessary rules;

9 (3) To collect and manage repayments from students who do not meet
10 their obligations under this chapter; and

11 (4) To solicit and accept grants and donations from public and
12 private sources for the program.

13 NEW SECTION. **Sec. 3.** To remain an eligible student and receive
14 continuing disbursements under the program, a participant must be
15 considered by the aerospace training or educational program to be
16 making satisfactory progress.

17 NEW SECTION. **Sec. 4.** The board may award aerospace training
18 student loans to eligible students from the funds appropriated to the
19 board for this purpose, or any other funds given to the board for this
20 program. The amount of the student loan awarded an individual may not
21 exceed one year of tuition and fees for the program of study.

22 NEW SECTION. **Sec. 5.** (1) A participant incurs an obligation to
23 repay the student loan, with interest, within thirty-six months after
24 completing the program.

25 (2) The interest rate shall be determined annually by the board.

26 (3) The minimum payment shall be set by the board. Payments of
27 principal and interest shall accrue quarterly commencing six months
28 from the date the participant completes or discontinues the course of
29 study. Provisions for deferral of payment shall be determined by the
30 board.

31 (4) The board is responsible for collection of repayments made
32 under this section and must exercise due diligence in such collection,
33 maintaining all necessary records to ensure that maximum repayments are
34 made. Collection and servicing of repayments under this section must

1 be pursued using the full extent of the law, including wage garnishment
2 if necessary.

3 (5) Receipts from the payment of principal or interest or any other
4 subsidies to which the board as administrator is entitled, that are
5 paid by or on behalf of participants under this section, must be
6 deposited in the aerospace training student loan account and must be
7 used to cover the costs of granting the student loans, maintaining
8 necessary records, and making collections under subsection (4) of this
9 section. The board must maintain accurate records of these costs, and
10 all receipts beyond those necessary to pay such costs must be used to
11 grant student loans to eligible students.

12 (6) The board shall adopt rules to define the terms of repayment,
13 including applicable interest rates, fees, and deferments.

14 NEW SECTION. **Sec. 6.** (1) The aerospace training student loan
15 account is created in the custody of the state treasurer. No
16 appropriation is required for expenditures of funds from the account.
17 The account is not subject to allotment procedures under chapter 43.88
18 RCW except for moneys used for program administration.

19 (2) The board shall deposit into the account all moneys received
20 for the program. The account shall be self-sustaining and consist of
21 funds appropriated by the legislature for the aerospace training
22 student loan program, and receipts from participant repayments.

23 (3) Expenditures from the account may be used solely for student
24 loans to participants in the program established by this chapter and
25 costs associated with program administration by the board.

26 (4) Disbursements from the account may be made only on the
27 authorization of the board.

28 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act constitute
29 a new chapter in Title 28B RCW.

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