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HOUSE BILL 1626

State of Washington 63rd Legislature 2013 Regular Session

By Representatives Santos, Haigh, Upthegrove, Pollet, and Ryu Read first time 02/01/13. Referred to Committee on Higher Education.

AN ACT Relating to aligning the higher education financial aid process with in-state tuition requirements; amending RCW 28B.92.010 and

3 28B.92.060; and reenacting and amending RCW 28B.118.010.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 28B.92.010 and 2004 c 275 s 34 are each amended to read as follows:
 - The purposes of this chapter are to establish the principles upon which the state financial aid programs will be based and to establish the state of Washington state need grant program, thus assisting financially needy or disadvantaged students domiciled in Washington to obtain the opportunity of attending an accredited institution of higher education. State need grants under this chapter are available only to students who are resident students as defined in RCW 28B.15.012(2) (a) through $((\frac{d}{d}))$ (e).
- 15 **Sec. 2.** RCW 28B.92.060 and 2012 C 229 s 558 are each amended to read as follows:
- 17 In awarding need grants, the office shall proceed substantially as 18 follows: PROVIDED, That nothing contained herein shall be construed to

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prevent the office, in the exercise of its sound discretion, from following another procedure when the best interest of the program so dictates:

- (1) The office shall annually select the financial aid award recipients from among Washington residents applying for student financial aid who have been ranked according to:
- (a) Financial need as determined by the amount of the family contribution; and
- (b) Other considerations, such as whether the student is a former foster youth, or is a placebound student who has completed an associate of arts or associate of science degree or its equivalent.
- (2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are declined, forfeited or otherwise unused shall be reawarded until disbursed, except that eligible former foster youth shall be assured receipt of a grant. The office, in consultation with four-year institutions of higher education, the council, and the state board for community and technical colleges, shall develop award criteria and methods of disbursement based on level of need, and not solely rely on a first-come, first-served basis.
- (3) A student shall be eligible to receive a state need grant for up to five years, or the credit or clock hour equivalent of five years, or up to one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. Qualifications for renewal will include maintaining satisfactory academic progress toward completion of an eligible program as determined by the office. Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds, except as provided in RCW 28B.92.070.
- (4) In computing financial need, the office shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions

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plus the current average state appropriation per student for operating expense in the public institutions. Any child support payments received by students who are parents attending less than half-time shall not be used in computing financial need.

- (5)(a) A student who is enrolled in three to six credit-bearing quarter credits, or the equivalent semester credits, may receive a grant for up to one academic year before beginning a program that leads to a degree or certificate.
- (b) An eligible student enrolled on a less-than-full-time basis shall receive a prorated portion of his or her state need grant for any academic period in which he or she is enrolled on a less-than-full-time basis, as long as funds are available.
- (c) An institution of higher education may award a state need grant to an eligible student enrolled in three to six credit-bearing quarter credits, or the semester equivalent, on a provisional basis if:
- (i) The student has not previously received a state need grant from that institution;
 - (ii) The student completes <u>an application for financial aid</u> <u>developed by the office or</u> the required free application for federal student aid;
 - (iii) The institution has reviewed the student's financial condition, and the financial condition of the student's family if the student is a dependent student, and has determined that the student is likely eligible for a state need grant; and
 - (iv) The student has signed a document attesting to the fact that the financial information provided on the application for financial aid developed by the office or the free application for federal student aid and any additional financial information provided directly to the institution is accurate and complete, and that the student agrees to repay the institution for the grant amount if the student submitted false or incomplete information.
- (6) As used in this section, "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the time he or she attained the age of eighteen.
- **Sec. 3.** RCW 28B.118.010 and 2012 c 229 s 402 and 2012 c 163 s 8 37 are each reenacted and amended to read as follows:

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The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section and in alignment with the state need grant program in chapter 28B.92 RCW unless otherwise provided in this section.

- (1) "Eligible students" are those students who:
- (a) Qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter; or
 - (b) Are dependent pursuant to chapter 13.34 RCW and:
 - (i) In grade seven through twelve; or

- 12 (ii) Are between the ages of eighteen and twenty-one and have not 13 graduated from high school.
 - (2) Eligible students shall be notified of their eligibility for the Washington college bound scholarship program beginning in their seventh grade year. Students shall also be notified of the requirements for award of the scholarship.
 - (3)(a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a) of this section must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.
 - (b) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the ((higher education coordinating board or its successor)) office of student financial assistance by mail or electronically, as indicated on the form.
 - (4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.
 - (b) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington

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or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through $((\frac{d}{d}))$ (e).

- (5) A student's family income will be assessed upon graduation before awarding the scholarship.
- (6) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.
- (a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.
- (b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington.
- (c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington.
- 23 (7) Recipients may receive no more than four full-time years' worth 24 of scholarship awards.
 - (8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.
- 30 (9) The first scholarships shall be awarded to students graduating 31 in 2012.
 - (10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.
 - (11) The scholarship award must be used within five years of

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receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.

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