

**SHB 1949 - H AMD 679**

By Representative Haler

ADOPTED 02/15/2016

1 On page 4, beginning on line 25, after "(b)" strike all material  
2 through "institution" on line 38 and insert "Shall require that a  
3 degree-granting institution that operates on a for-profit basis and  
4 any agent of the institution, shall not engage in any practice  
5 regarding the sale of, or inducing of students to obtain, specific  
6 consumer student loan products to fund education that financially  
7 benefits any person or entity that has an ownership interest in the  
8 institution, unless the institution can demonstrate to the council  
9 that the student has exhausted all federal aid options and has been  
10 denied non-institutional private commercial loan products. The  
11 prohibition in this subsection (1)(b) applies to any degree-granting  
12 institution that operates on a for-profit basis, and any agent of the  
13 institution, that has at least one hundred fifty students or more  
14 enrolled in the state in any given year or that has been operating in  
15 the state for less than two consecutive years. A financial benefit  
16 for purposes of this subsection (1)(b) does not include merely having  
17 an interest in students with loans enrolling in the institution or  
18 assisting students with financial aid matters. For purposes of this  
19 subsection (1)(b), "agent" means any employee, officer, or contractor  
20 working on behalf of the institution"

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22 On page 9, beginning on line 14, after "with" strike all material  
23 through "web site" on line 18 and insert "the same types of  
24 information as currently presented on the agency's career bridge web  
25 site. In those cases where the agency does not have information  
26 calculated for the career bridge web site on a school or program, the

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1 agency shall establish procedures and methodology and required  
2 accompanying descriptive material for any alternative data posted"

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4 On page 10, line 25, after "may not" strike all material through  
5 "education" on line 30 and insert "engage in any practice regarding  
6 the sale of, or inducing of students to obtain, specific consumer  
7 student loan products to fund education that financially benefits any  
8 person or entity that has an ownership interest in the institution,  
9 unless the institution can demonstrate to the agency that the student  
10 has exhausted all federal aid options and has been denied non-  
11 institutional private commercial loan products. A financial benefit  
12 for purposes of this subsection (3) does not include merely having an  
13 interest in students with loans enrolling in the institution or  
14 assisting students with financial aid matters. For purposes of this  
15 subsection (3), "agent" means any employee, officer, or contractor  
16 working on behalf of the institution"

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18 On page 12, beginning on line 13, after "with" strike all material  
19 through "as" on line 14 and insert "either"

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21 On page 12, line 15, after "site" insert "or alternative data the  
22 agency has required in cases where the agency does not have  
23 information calculated for the career bridge web site"

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25 On page 13, beginning on line 3, after "(m)" strike all material  
26 through "education" on line 7 and insert "Engage in any practice  
27 regarding the sale of, or inducing of students to obtain, specific  
28 consumer student loan products to fund education that financially  
29 benefits any person or entity that has an ownership interest in the  
30 institution, unless the institution can demonstrate to the agency that  
31 the student has exhausted all federal aid options and has been denied  
32 non-institutional private commercial loan products"

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EFFECT: (1) Specifies that the prohibition on a for-profit

school or its agent from selling student loan products applies to "specific consumer student loan products" (rather than "student loan products") and that the for-profit institution is prohibited from inducing students in obtaining specific student loan products (as opposed to prohibiting the "enrollment of students in student loan products"). Defines "agent" to mean any employee, officer, or contractor working on behalf of the institution.

(2) Allows a for-profit institution to engage in the sale of specific consumer student loan products if the institution can demonstrate that the student has exhausted all federal aid options and has been denied non-institutional private commercial loan products.

(3) Provides that if the Workforce Training and Education Coordinating Board (Board) does not have information from the for-profit schools that can be calculated for the Career Bridge web site, then the Board must establish procedures, a methodology, and required descriptive material for alternative data to be posted.

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