
SUBSTITUTE HOUSE BILL 1556

State of Washington

64th Legislature

2015 Regular Session

By House Higher Education (originally sponsored by Representatives Hargrove, Walkinshaw, Zeiger, Pollet, Van Werven, Bergquist, Ortiz-Self, and Parker)

READ FIRST TIME 02/20/15.

1 AN ACT Relating to strengthening the Washington advanced college
2 tuition payment program by setting new requirements on the purchase
3 and use of tuition units; amending RCW 28B.95.080; and creating a new
4 section.

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

6 NEW SECTION. **Sec. 1.** The legislature intends to strengthen the
7 Washington advanced college tuition payment program by allowing
8 purchasers to buy more tuition units per beneficiary and allowing
9 beneficiaries to use more units per year.

10 **Sec. 2.** RCW 28B.95.080 and 2011 1st sp.s. c 12 s 3 are each
11 amended to read as follows:

12 (1)(a) The governing body shall annually evaluate, and cause to
13 be evaluated by the state actuary, the soundness of the account and
14 determine the additional assets needed, if any, to defray the
15 obligations of the account. The governing body may, at its
16 discretion, consult with a nationally recognized actuary for periodic
17 assessments of the account.

18 (b) If funds are determined by the governing body, based on
19 actuarial analysis to be insufficient to ensure the actuarial

1 soundness of the account, the governing body shall adjust the price
2 of subsequent tuition credit purchases to ensure its soundness.

3 (c) If there are insufficient numbers of new purchases to ensure
4 the actuarial soundness of the account, the governing body shall
5 request such funds from the legislature as are required to ensure the
6 integrity of the program. Funds may be appropriated directly to the
7 account or appropriated under the condition that they be repaid at a
8 later date. The repayment shall be made at such time that the account
9 is again determined to be actuarially sound.

10 (2)(a) Beginning on the effective date of this section and until
11 the threshold in (b) of this subsection is reached, the governing
12 body shall add to its annual evaluation under this section the
13 following: A determination of whether adding minimum limits of (i)
14 eight hundred for the number of tuition units or units that may be
15 purchased on behalf of any one beneficiary; and (ii) two hundred for
16 the number of tuition units or units that may be used in any one
17 year, would cause the program's funded status to meet the threshold
18 described in (b) of this subsection.

19 (b) If adding the minimum limits described in (a) of this
20 subsection would not increase the probability of program insolvency
21 above point one percent the governing body must administratively
22 implement these minimum limits.

23 (c) Once implemented, the governing body may not set the number
24 of tuition units that may be purchased on behalf of any one
25 beneficiary or used in any one year, below the minimum limits
26 described in this section without specific statutory authorization.

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