

**ESSB 6492 - H AMD 1097**

By Representative Gildon

**NOT ADOPTED 02/06/2020**

1 On page 18, after line 2, insert the following:

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3 "Sec. 5. RCW 28B.92.200 and 2019 c 406 s 19 are each amended to  
4 read as follows:

5 (1) The Washington college grant program is created to provide a  
6 statewide free college program for eligible participants and greater  
7 access to postsecondary education for Washington residents. The  
8 Washington college grant program is intended to increase the number  
9 of high school graduates and adults that can attain a postsecondary  
10 credential and provide them with the qualifications needed to  
11 compete for job opportunities in Washington.

12 (2) The office shall implement and administer the Washington  
13 college grant program and is authorized to establish rules necessary  
14 for implementation of the program.

15 (3) The legislature shall appropriate funding for the Washington  
16 college grant program. Allocations must be made on the basis of  
17 estimated eligible participants enrolled in eligible institutions of  
18 higher education or apprenticeship programs. All eligible students  
19 are entitled to a Washington college grant beginning in academic  
20 year 2020-21.

21 (4) The office shall award Washington college grants to all  
22 eligible students beginning in academic year 2020-21.

23 (5) To be eligible for the Washington college grant, students  
24 must meet the following requirements:

25 (a) Demonstrate financial need under RCW 28B.92.205;

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1 (b)(i) Be enrolled or accepted for enrollment for at least three  
2 quarter credits or the equivalent semester credits at an institution  
3 of higher education in Washington as defined in RCW 28B.92.030; or  
4 (ii) Be enrolled in a registered apprenticeship program approved  
5 under chapter 49.04 RCW;

6 (c) Be a resident student as defined in RCW 28B.15.012(2) (a)  
7 through (e);

8 (d) File an annual application for financial aid as approved by  
9 the office; and

10 (e) Must not have earned a baccalaureate degree or higher from a  
11 postsecondary institution.

12 (6) Washington college grant eligibility may not extend beyond  
13 five years or one hundred twenty-five percent of the published  
14 length of the program in which the student is enrolled or the credit  
15 or clock-hour equivalent.

16 (7) Institutional aid administrators shall determine whether a  
17 student eligible for the Washington college grant in a given  
18 academic year may remain eligible for the ensuing year if the  
19 student's family income increases by no more than three percent.

20 (8) Qualifications for receipt and renewal include maintaining  
21 satisfactory academic progress toward completion of an eligible  
22 program as determined by the office and established in rule.

23 (9) Should a recipient terminate his or her enrollment for any  
24 reason during the academic year, the unused portion of the grant  
25 shall be returned to the state educational grant fund by the  
26 institution of higher education according to the institution of  
27 higher education's policy for issuing refunds, except as provided in  
28 RCW 28B.92.070.

29 (10) An eligible student enrolled on a part-time basis shall  
30 receive a prorated portion of the Washington college grant for any  
31 academic period in which he or she is enrolled on a part-time basis.

32 (11) The Washington college grant is intended to be used to meet  
33 the costs of postsecondary education for students with financial  
34

1 need. The student shall be awarded all need-based financial aid for  
2 which the student qualifies as determined by the institution.

3 (12) Students and participating institutions of higher education  
4 shall comply with all the rules adopted by the council for the  
5 administration of this chapter.

6 (13) An eligible student who receives contributions under  
7 section 2 of this act:

8 (a) Must have any grant received from the Washington college  
9 grant program under this section reduced by an amount equal to all  
10 contributions received from all companies; and

11 (b) Must submit an affidavit, in a manner and form prescribed by  
12 the council, to the council and to the institution of higher  
13 education in which the student is enrolled. The affidavit must:

14 (i) Verify the amount of contributions the student has received  
15 from all companies; and

16 (ii) Attest to the student's reduced Washington college grant  
17 funding to be received.

18

19 NEW SECTION. Sec. 6. A new section is added to chapter 82.04  
20 RCW to read as follows:

21 (1) Subject to the limitations in this section, a company that  
22 owes a surcharge under RCW 82.04.299 or is subject to the tax under  
23 RCW 82.04.290(2)(i) is allowed a credit against the surcharge under  
24 RCW 82.04.299 for contributions made by that company to any eligible  
25 student for the purposes of pursuing higher education.

26 (2) The credit is equal to the total amount of contributions  
27 made to all eligible students in a calendar year. The credit may not  
28 exceed the amount of the surcharge otherwise due under RCW 82.04.299  
29 or the amount of the tax otherwise due under RCW 82.04.290(2)(i).

30 The credit may be used against the surcharge due on tax returns due  
31 after January 31st of the calendar year in which the application was  
32 approved and before February 1st of the following calendar year. No  
33 refunds may be granted for credits under this section. A company  
34 taking an exemption under this subsection must keep and preserve

1 records for the period required by RCW 82.32.070, documenting  
2 contributions made to qualifying students.

3 (3) To receive the credit, a company must submit an application  
4 to the department. Applications for tax credits under this section  
5 must be received by the department between the first day of January  
6 and the thirty-first day of January, following the calendar year in  
7 which the applicant made contributions to eligible students. The  
8 application must be made to the department in a form and manner  
9 prescribed by the department. The application must contain  
10 information including the number of eligible students to which  
11 contributions were made, the amounts paid to eligible students in  
12 total and by individual contribution, and any other information  
13 required by the department.

14 (4) If the eligible student who is the recipient of a qualifying  
15 contribution returns some or all of the contribution to the company  
16 for any reason, the company must file an amended return.

17 (5) An eligible student receiving a contribution from a company  
18 under this section must follow notification requirements outlined in  
19 RCW 28B.92.200(13). The company providing the contribution must  
20 inform the eligible student of these notification requirements upon  
21 disbursement of the contribution.

22 (6) The definitions in this subsection apply throughout this  
23 section unless the context clearly requires otherwise.

24 (a) "Contributions" means direct financial assistance in the  
25 form of bona fide grants, scholarships, or tuition reimbursement  
26 payments provided to an eligible student for the purposes of  
27 assisting the student with the pursuit of higher education.

28 Contributions must be used by the student to cover costs related to  
29 tuition, books, fees, room, and housing.

30 (b) "Eligible student" means any individual who is:

31 (i) Enrolled in an institution of higher education in Washington  
32 state; and

33 (ii) Eligible for the Washington college grant program under RCW  
34 28B.92.200."

1        Renumber the remaining sections consecutively and correct any  
2 internal references accordingly.

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4        Correct the title.

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EFFECT: Authorizes a credit against the 1.75 percent business and occupation tax rate or the advanced computing surcharge if the taxpayer makes a contribution to a student to pursue higher education.

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