
HOUSE BILL 2255

State of Washington

66th Legislature

2020 Regular Session

By Representatives Gildon and Van Werven

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1 AN ACT Relating to encouraging Washington college grant
2 recipients to reside or work in Washington after graduation; amending
3 RCW 28B.92.200; amending 2019 c 406 s 18 (uncodified); and adding new
4 sections to chapter 28B.92 RCW.

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

6 **Sec. 1.** 2019 c 406 s 18 (uncodified) is amended to read as
7 follows:

8 (1) The legislature finds that individuals with a postsecondary
9 credential have a greater chance of earning a wage that can support
10 themselves and their families than if they do not obtain a
11 postsecondary credential. At the same time, Washington employers are
12 in need of many more individuals who possess postsecondary
13 qualifications. Access to postsecondary opportunities are vital to
14 ensure that more Washington high school graduates and working adults
15 can enter and complete a postsecondary program and compete for the
16 job opportunities available in the state.

17 (2) The legislature further finds that a statewide ((free))
18 taxpayer-funded college program, for students who demonstrate
19 financial need as defined in ((section 20 of this act)) RCW
20 28B.92.205, and for students who commit to residing or working in
21 Washington following graduation pursuant to RCW 28B.92.200(7), is

1 necessary to significantly reduce the financial costs of obtaining a
2 postsecondary credential. The Washington college grant program is
3 intended to increase access to postsecondary opportunities for
4 Washington residents.

5 **Sec. 2.** RCW 28B.92.200 and 2019 c 406 s 19 are each amended to
6 read as follows:

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

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

17 (3) The legislature shall appropriate funding for the Washington
18 college grant program. Allocations must be made on the basis of
19 estimated eligible participants enrolled in eligible institutions of
20 higher education or apprenticeship programs. All eligible students
21 are entitled to a Washington college grant beginning in academic year
22 2020-21.

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

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

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

28 (b) (i) Be enrolled or accepted for enrollment for at least three
29 quarter credits or the equivalent semester credits at an institution
30 of higher education in Washington as defined in RCW 28B.92.030; or

31 (ii) Be enrolled in a registered apprenticeship program approved
32 under chapter 49.04 RCW;

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

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

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

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

5 (7) A Washington college grant recipient with junior or senior
6 standing shall agree to reside or work exclusively in Washington, and
7 shall either not be employed or be a resident in any other state for
8 a maximum period of two years following graduation or discontinuing
9 enrollment in an institution. The recipient shall agree to reside or
10 work in Washington for one year for each academic year of Washington
11 college grant received during academic years of junior and senior
12 standing. The recipient shall sign a contract with the council
13 agreeing to have his or her award converted to a student loan
14 administered by the council if the recipient fails to fulfill this
15 requirement. A recipient shall prove residency or employment in
16 Washington by providing one of the following to the council every six
17 months after graduation or discontinuing enrollment in an
18 institution:

19 (a) Home utility bill with a Washington address dated within the
20 past two months;

21 (b) Department of social and health services benefits letter
22 indicating unexpired benefits;

23 (c) Tribal identification;

24 (d) Proof of homeownership;

25 (e) Business mail from a state, federal, tribal, county, or city
26 government entity dated within the past two months;

27 (f) Individual tax identification number letter from the internal
28 revenue service;

29 (g) Homeowners insurance policy;

30 (h) Auto insurance policy or bill dated within the past two
31 months;

32 (i) Paycheck or paystub with the employer's name and phone number
33 or address that is dated within the past two months;

34 (j) Washington professional license;

35 (k) W-2 form from an employer; or

36 (l) Letter attesting residence in alternative housing on a
37 company letterhead with a phone number that could be used in
38 verification of the facility.

39 (8) Institutional aid administrators shall determine whether a
40 student eligible for the Washington college grant in a given academic

1 year may remain eligible for the ensuing year if the student's family
2 income increases by no more than three percent.

3 ~~((8))~~ (9) Qualifications for receipt and renewal include
4 maintaining satisfactory academic progress toward completion of an
5 eligible program as determined by the office and established in rule.

6 ~~((9))~~ (10) Should a recipient terminate his or her enrollment
7 for any reason during the academic year, the unused portion of the
8 grant shall be returned to the state educational grant fund by the
9 institution of higher education according to the institution of
10 higher education's policy for issuing refunds, except as provided in
11 RCW 28B.92.070.

12 ~~((10))~~ (11) An eligible student enrolled on a part-time basis
13 shall receive a prorated portion of the Washington college grant for
14 any academic period in which he or she is enrolled on a part-time
15 basis.

16 ~~((11))~~ (12) The Washington college grant is intended to be used
17 to meet the costs of postsecondary education for students with
18 financial need. The student shall be awarded all need-based financial
19 aid for which the student qualifies as determined by the institution.

20 ~~((12))~~ (13) Students and participating institutions of higher
21 education shall comply with all the rules adopted by the council for
22 the administration of this chapter.

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.92
24 RCW to read as follows:

25 For Washington college grant recipients who fail to fulfill the
26 requirement to reside or work in Washington pursuant to RCW
27 28B.92.200(7), the council shall convert the grant amount received by
28 the recipient into a student loan with a zero percent interest rate.
29 The converted grant amount must be prorated based on the recipient's
30 time spent residing or working in Washington. The council has the
31 following duties in administering Washington college grants converted
32 to student loans:

33 (1) Verify and track the residence and employment of Washington
34 college grant recipients;

35 (2) Define the terms of repayment, with a maximum repayment term
36 of no more than ten years;

37 (3) Collect repayments, including exercising due diligence in
38 such collection and servicing of repayments and, if necessary,

1 collection must be pursued using the full extent of the law,
2 including wage garnishment;

3 (4) Maintain all necessary records;

4 (5) Establish an appeals process for recipients who believe there
5 is an unresolved error in the servicing of their loan;

6 (6) Establish rules for deferring repayment, such as pursuing a
7 graduate or professional degree, and for forbearance, such as for
8 economic or medical hardship;

9 (7) Establish rules for exemptions for active duty military and
10 their dependents who are moved out of state before completing the
11 required time to reside or work in Washington; and

12 (8) Establish rules for discharging a student's loan in the event
13 of total disability or death.

14 NEW SECTION. **Sec. 4.** A new section is added to chapter 28B.92
15 RCW to read as follows:

16 (1) The Washington college grant loan repayment account is
17 created in the custody of the state treasurer. All receipts from
18 section 3 of this act must be deposited in the account. Expenditures
19 from the account may be used for administration and loan collection
20 under the Washington college grant program but may not exceed fifteen
21 percent of the total receipts. Only the director of the student
22 achievement council or the director's designee may authorize
23 expenditures from the account. The account is subject to the
24 allotment procedures under chapter 43.88 RCW, but an appropriation is
25 not required for expenditures related to administration and loan
26 collection.

27 (2) When any remaining funds in the Washington college grant loan
28 repayment account accrue sufficient funding to reduce or prevent an
29 increase in the cost of tuition by at least one percent, those funds
30 must be transferred to the institutions of higher education operating
31 fees account. These transferred funds must be used to reduce or
32 prevent an increase in the cost of tuition at public institutions of
33 higher education.

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