

HB 1805 - S COMM AMD

By Committee on Higher Education & Workforce Development

ADOPTED 03/04/2022

1 Strike everything after the enacting clause and insert the
2 following:

3 **"Sec. 1.** RCW 28B.145.010 and 2021 c 133 s 2 are each amended to
4 read as follows:

5 The definitions in this section apply throughout this chapter
6 unless the context clearly requires otherwise.

7 (1) "Board" means the opportunity scholarship board.

8 (2) "Council" means the student achievement council.

9 (3) "Eligible advanced degree program" means a health
10 professional degree program beyond the baccalaureate level and
11 includes graduate and professional degree programs.

12 (4) "Eligible county" has the same meaning as "rural county" as
13 defined in RCW 82.14.370 and also includes any county that shares a
14 common border with Canada and has a population of over (~~one hundred~~
15 ~~twenty-five thousand~~) 125,000.

16 (5) "Eligible education programs" means high employer demand and
17 other programs of study as determined by the board.

18 (6) "Eligible expenses" means reasonable expenses associated with
19 the costs of acquiring an education such as tuition, books,
20 equipment, fees, room and board, and other expenses as determined by
21 the program administrator in consultation with the council and the
22 state board for community and technical colleges.

23 (7) "Eligible school district" means a school district of the
24 second class as identified in RCW 28A.300.065(2).

25 (8) (a) "Eligible student" means a resident student who:

26 (~~(a)~~) (i) (A) Received his or her high school diploma or high
27 school equivalency certificate as provided in RCW 28B.50.536 in
28 Washington and has been accepted at a four-year institution of higher
29 education into an eligible education program leading to a
30 baccalaureate degree;

1 (~~(iii)~~) (B) Received his or her high school diploma or high
2 school equivalency certificate as provided in RCW 28B.50.536 in
3 Washington and will attend a two-year institution of higher education
4 and intends to transfer to an eligible education program at a four-
5 year institution of higher education;

6 (~~(iii)~~) (C) Received his or her high school diploma or
7 equivalent and has been accepted at an institution of higher
8 education into a professional-technical certificate or degree program
9 in an eligible education program; or

10 (~~(iv)~~) (D) Has been accepted at an institution of higher
11 education into an eligible advanced degree program that leads to
12 credentials in health professions;

13 (~~(b)~~) (ii) Declares an intention to obtain a professional-
14 technical certificate, professional-technical degree, baccalaureate
15 degree, or an advanced degree; and

16 (~~(e)~~) (iii) Has a family income at or below (~~one hundred~~
17 ~~twenty-five~~) 125 percent of the state median family income at the
18 time the student applies for an opportunity scholarship. For the
19 advanced degree program, family income may be greater than 125
20 percent if the eligible student can demonstrate financial need
21 through other factors such as a history of prior household income,
22 income loss caused by entering the advanced degree program, level of
23 student debt at application and annually thereafter, or other factors
24 determined by the program.

25 (b) To remain eligible for scholarship funds under the
26 opportunity scholarship program the student must meet satisfactory
27 academic progress toward completion of an eligible program as
28 determined by the office of student financial assistance in the
29 Washington college grant program under chapter 28B.92 RCW.

30 (9) "Gift aid" means financial aid received from the federal Pell
31 grant, the Washington college grant program in chapter 28B.92 RCW,
32 the college bound scholarship program in chapter 28B.118 RCW, the
33 opportunity grant program in chapter 28B.50 RCW, or any other state
34 grant, scholarship, or worker retraining program that provides funds
35 for educational purposes with no obligation of repayment. "Gift aid"
36 does not include student loans, work-study programs, the basic food
37 employment and training program administered by the department of
38 social and health services, or other employment assistance programs
39 that provide job readiness opportunities and support beyond the costs
40 of tuition, books, and fees.

1 (10) "High employer demand program of study" has the same meaning
2 as provided in RCW 28B.50.030.

3 (11) "Participant" means an eligible student who has received a
4 scholarship under the opportunity scholarship program.

5 (12) "Private sources," "private funds," "private contributions,"
6 or "private sector contributions" means donations from private
7 organizations, corporations, federally recognized Indian tribes,
8 municipalities, counties, and other sources, but excludes state
9 dollars.

10 (13) "Professional-technical certificate" means a program as
11 approved by the state board for community and technical colleges
12 under RCW 28B.50.090(7)(c), that is offered by an institution of
13 higher education or an eligible registered apprenticeship program
14 under chapter 28B.92 RCW.

15 (14) "Professional-technical degree" means a program as approved
16 by the state board for community and technical colleges under RCW
17 28B.50.090(7)(c), that is offered by an institution of higher
18 education or an eligible registered apprenticeship program under
19 chapter 28B.92 RCW.

20 (15) "Program administrator" means a private nonprofit
21 corporation registered under Title 24 RCW and qualified as a tax-
22 exempt entity under section 501(c)(3) of the federal internal revenue
23 code.

24 (16) "Resident student" (~~(has the same meaning as provided in RCW~~
25 ~~28B.15.012)) means a student meeting the requirements under RCW
26 28B.92.200(5)(c) as defined in the Washington college grant program.~~

27 (17) "Rural jobs program" means the rural county high employer
28 demand jobs program created in this chapter.

29 **Sec. 2.** RCW 28B.145.030 and 2021 c 170 s 5 are each amended to
30 read as follows:

31 (1) The program administrator shall provide administrative
32 support to execute the duties and responsibilities provided in this
33 chapter, including but not limited to publicizing the program,
34 selecting participants for the opportunity scholarship award,
35 distributing opportunity scholarship awards, and achieving the
36 maximum possible rate of return on investment of the accounts in
37 subsection (2) of this section, while ensuring transparency in the
38 investment decisions and processes. Duties, exercised jointly with
39 the board, include soliciting funds and setting annual fund-raising

1 goals. The program administrator shall be paid an administrative fee
2 as determined by the board.

3 (2) With respect to the opportunity scholarship program, the
4 program administrator shall:

5 (a) Establish and manage the specified accounts created in (b) of
6 this subsection, into which to receive grants and contributions from
7 private sources as well as state matching funds, and from which to
8 disburse scholarship funds to participants;

9 (b) Solicit and accept grants and contributions from private
10 sources, via direct payment, pledge agreement, or escrow account, of
11 private sources for deposit into any of the specified accounts
12 created in this subsection (2)(b) upon the direction of the donor and
13 in accordance with this subsection (2)(b):

14 (i) The "scholarship account," whose principal may be invaded,
15 and from which scholarships must be disbursed for baccalaureate
16 programs beginning no later than December 1, 2011, if, by that date,
17 state matching funds in the amount of five million dollars or more
18 have been received. Thereafter, scholarships shall be disbursed on an
19 annual basis beginning no later than May 1, 2012, and every October
20 1st thereafter;

21 (ii) The "student support pathways account," whose principal may
22 be invaded, and from which scholarships may be disbursed for
23 professional-technical certificate or degree programs in the fiscal
24 year following appropriations of state matching funds. Thereafter,
25 scholarships shall be disbursed on an annual basis;

26 (iii) The "advanced degrees pathways account," whose principal
27 may be invaded, and from which scholarships may be disbursed for
28 eligible advanced degree programs in the fiscal year following
29 appropriations of state matching funds. Thereafter, scholarships
30 shall be disbursed on an annual basis;

31 (iv) The "endowment account," from which scholarship moneys may
32 be disbursed for baccalaureate programs from earnings only in years
33 when:

34 (A) The state match has been made into both the scholarship and
35 the endowment account; and

36 (B) The state appropriations for the Washington college grant
37 program under chapter 28B.92 RCW meet or exceed state appropriations
38 for the state need grant made in the 2011-2013 biennium, adjusted for
39 inflation, and eligibility for Washington college grant recipients is
40 at least seventy percent of state median family income;

1 (v) An amount equal to at least fifty percent of all grants and
2 contributions must be deposited into the scholarship account until
3 such time as twenty million dollars have been deposited into the
4 scholarship account, after which time the private donors may
5 designate whether their contributions must be deposited to the
6 scholarship account, the student support pathways account, the
7 advanced degrees pathways account, or the endowment account. The
8 board and the program administrator must work to maximize private
9 sector contributions to these accounts to maintain a robust
10 scholarship program while simultaneously building the endowment, and
11 to determine the division between the accounts in the case of
12 undesignated grants and contributions, taking into account the need
13 for a long-term funding mechanism and the short-term needs of
14 families and students in Washington. The first five million dollars
15 in state match, as provided in RCW 28B.145.040, shall be deposited
16 into the scholarship account and thereafter the state match shall be
17 deposited into the specified accounts created in this subsection
18 (2)(b) in equal proportion to the private funds deposited in each
19 account, except that no more than \$5,000,000 in state match shall be
20 deposited into the advanced degrees pathways account in a single
21 fiscal biennium; and

22 (vi) Once moneys in the opportunity scholarship match transfer
23 account are subject to an agreement under RCW 28B.145.050(5) and are
24 deposited in the scholarship account, the student support pathways
25 account, the advanced degrees pathways account, or the endowment
26 account under this section, the state acts in a fiduciary rather than
27 ownership capacity with regard to those assets. Assets in the
28 scholarship account, the student support pathways account, the
29 advanced degrees pathways account, and the endowment account are not
30 considered state money, common cash, or revenue to the state;

31 (c) Provide proof of receipt of grants and contributions from
32 private sources to the council, identifying the amounts received by
33 name of private source and date, and whether the amounts received
34 were deposited into the scholarship account, the student support
35 pathways account, the advanced degrees pathways account, or the
36 endowment account;

37 (d) In consultation with the council and the state board for
38 community and technical colleges, make an assessment of the
39 reasonable annual eligible expenses associated with eligible

1 education programs and eligible advanced degree programs identified
2 by the board;

3 (e) Determine the dollar difference between tuition fees charged
4 by institutions of higher education in the 2008-09 academic year and
5 the academic year for which an opportunity scholarship is being
6 distributed;

7 (f) Develop and implement an application, selection, and
8 notification process for awarding opportunity scholarships;

9 (g) Ensure that if the private source is from a federally
10 recognized Indian tribe, municipality, or county, an amount at least
11 equal to the value of the private source plus the state match is
12 awarded to participants within that federally recognized Indian
13 tribe, municipality, or county according to the federally recognized
14 Indian tribe's, municipality's, or county's program rules;

15 (h) Determine the annual amount of the opportunity scholarship
16 for each selected participant. The annual amount shall be at least
17 one thousand dollars or the amount determined under (e) of this
18 subsection, but may be increased on an income-based, sliding scale
19 basis up to the amount necessary to cover all reasonable annual
20 eligible expenses as assessed pursuant to (d) of this subsection, or
21 to encourage participation in professional-technical certificate
22 programs, professional-technical degree programs, baccalaureate
23 degree programs, or eligible advanced degree programs identified by
24 the board;

25 (i) Distribute scholarship funds to selected participants. Once
26 awarded, and to the extent funds are available for distribution, an
27 opportunity scholarship shall be automatically renewed as long as the
28 participant annually submits documentation of filing both a free
29 application for federal student aid (FAFSA) and for available federal
30 education tax credits including, but not limited to, the American
31 opportunity tax credit, or if ineligible to apply for federal student
32 aid, the participant annually submits documentation of filing a state
33 financial aid application as approved by the office of student
34 financial assistance; and until the participant withdraws from or is
35 no longer attending the program, completes the program, or has
36 ~~((taken the credit or clock hour equivalent of one hundred twenty-~~
37 ~~five percent of the published length of time of the participant's~~
38 ~~program, whichever occurs first)) extended beyond five years or 125
39 percent of the published program length of the program in which the~~

1 student is enrolled or the credit or clock-hour equivalent as defined
2 in the Washington college grant program;

3 (j) Notify institutions of scholarship recipients who will attend
4 their institutions and inform them of the terms of the students'
5 eligibility; and

6 (k) For participants enrolled in an eligible advanced degree
7 program, document each participant's employment following graduation.

8 (3) With respect to the opportunity expansion program, the
9 program administrator shall:

10 (a) Assist the board in developing and implementing an
11 application, selection, and notification process for making
12 opportunity expansion awards; and

13 (b) Solicit and accept grants and contributions from private
14 sources for opportunity expansion awards.

15 **Sec. 3.** RCW 28B.145.100 and 2021 c 133 s 3 are each amended to
16 read as follows:

17 (1)(a) The rural county high employer demand jobs program is
18 created to meet the workforce needs of business and industry in rural
19 counties by assisting students in earning certificates, associate
20 degrees, or other industry-recognized credentials necessary for
21 employment in high employer demand fields.

22 (b) Subject to the requirements of this section, the rural jobs
23 program provides selected students scholarship funds and support
24 services, as determined by the board, to help students meet their
25 eligible expenses when they enroll in a community or technical
26 college program that prepares them for high employer demand fields.

27 (c) The source of funds for the rural jobs program shall be a
28 combination of private donations, grants, and contributions and state
29 matching funds.

30 (d) The state match must be based on donations and pledges
31 received as of the date each official state caseload forecast is
32 submitted by the caseload forecast council to the legislative fiscal
33 committees as provided under RCW 43.88C.020. The purpose of this
34 subsection (1)(d) is to ensure the predictable treatment of the
35 program in the budget process by clarifying the calculation process
36 of the state match required by this section and to ensure the program
37 is budgeted at maintenance level.

38 (2) The program administrator has the duties and responsibilities
39 provided under this section, including but not limited to:

1 (a) Publicize the rural jobs program and conducting outreach to
2 eligible counties;

3 (b) In consultation with the state board for community and
4 technical colleges, any interested community or technical college
5 located in an eligible county, and the county's workforce development
6 council, identify high employer demand fields within the eligible
7 counties. When identifying high employer demand fields, the board
8 must consider:

9 (i) County-specific employer demand reports issued by the
10 employment security department or the list of statewide high-demand
11 programs for secondary career and technical education established
12 under RCW 28A.700.020; and

13 (ii) The ability and capacity of the community and technical
14 college to meet the needs of qualifying students and industry in the
15 eligible county;

16 (c) Develop and implement an application, selection, and
17 notification process for awarding rural jobs program scholarship
18 funds. In making determinations on scholarship recipients, the board
19 shall use county-specific employer high-demand data;

20 (d) Determine the annual scholarship fund amounts to be awarded
21 to selected students;

22 (e) Distribute funds to selected students;

23 (f) Notify institutions of higher education of the rural jobs
24 program recipients who will attend their institutions of higher
25 education and inform them of the scholarship fund amounts and terms
26 of the awards; and

27 (g) Establish and manage an account as provided under RCW
28 28B.145.110 to receive donations, grants, contributions from private
29 sources, and state matching funds, and from which to disburse
30 scholarship funds to selected students.

31 (3) To be eligible for scholarship funds under the rural jobs
32 program, a student must:

33 (a) Either:

34 (i) Be a resident of an eligible county (~~and be enrolled in a~~
35 ~~community or technical college established under chapter 28B.50 RCW;~~
36 ~~or~~);

37 (ii) Have attended and graduated from a school in an eligible
38 school district (~~and be~~); or

39 (iii) Be enrolled in either a community or technical college
40 established under chapter 28B.50 RCW (~~that is~~) located in an

1 eligible county or participating in an eligible registered
2 apprenticeship program under chapter 28B.92 RCW in an eligible
3 county;

4 (b) Be a resident student as defined (~~in RCW 28B.15.012;~~
5 ~~(e)~~) in the Washington college grant program in RCW
6 28B.92.200(5)(c);

7 (c) Be in a certificate, degree, or other industry-recognized
8 credential or training program that has been identified by the board
9 as a program that prepares students for a high employer demand field;

10 (d) Have a family income that does not exceed seventy percent of
11 the state median family income adjusted for family size; and

12 (e) Demonstrate financial need according to the free application
13 for federal student aid or the Washington application for state
14 financial aid.

15 (4) To remain eligible for scholarship funds under the rural jobs
16 program, the student must (~~maintain a cumulative grade point average~~
17 ~~of 2.0~~) meet satisfactory academic progress toward completion of an
18 eligible program as established by the program. Rural jobs program
19 eligibility may not extend beyond five years or 125 percent of the
20 published length of the program in which the student is enrolled or
21 the credit or clock-hour equivalent.

22 (5) A scholarship award under the rural jobs program may not
23 result in a reduction of any gift aid. Nothing in this section
24 creates any right or entitlement."

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25 On page 1, line 1 of the title, after "program;" strike the
26 remainder of the title and insert "and amending RCW 28B.145.010,
27 28B.145.030, and 28B.145.100."

EFFECT: (1) Clarifies that to be eligible for the rural jobs
program, an applicant must either: Be a resident of an eligible
county; have attended and graduated from a school in an eligible
school district; or be enrolled in a CTC located in an eligible
county or participating in an eligible apprenticeship in an eligible
county.

(2) Makes a technical change in reference to family income for the purpose of the advanced degree program.

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