## SECOND SUBSTITUTE HOUSE BILL 1835

State of Washington 67th Legislature 2022 Regular Session

By House Appropriations (originally sponsored by Representatives Hansen, Leavitt, Santos, Simmons, Chopp, Slatter, Bergquist, Valdez, Pollet, and Ormsby)

READ FIRST TIME 02/07/22.

AN ACT Relating to outreach and completion initiatives to 1 2 increase postsecondary enrollment; amending RCW 28B.92.200, 3 74.04.060, and 28B.120.040; reenacting and amending RCW 43.79A.040; adding a new section to chapter 28B.77 RCW; adding a new section to 4 5 chapter 28B.50 RCW; adding new sections to chapter 28B.92 RCW; adding a new section to chapter 28B.120 RCW; creating new sections; and 6 7 repealing RCW 28B.120.005, 28B.120.010, 28B.120.020, 28B.120.025, 8 28B.120.030, and 28B.120.900.

## 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 NEW SECTION. Sec. 1. The legislature recognizes that, in 2020, 11 Washington ranked 49th nationally for completion of the 12 application for federal student aid among high school seniors. The 13 free application for federal student aid is the form that prospective 14 and current postsecondary education students use to receive federal 15 and state financial aid, such as the federal Pell grant, the 16 Washington college grant, the college bound scholarship, 17 opportunity scholarship, federal student loans, and many other 18 financial resources for college. For students who cannot file a free 19 application for federal student aid, the state has an alternative 20 financial aid application called the Washington application for state 21 financial aid. The free application for federal student aid is a

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strong indicator for college enrollment. Ninety-two percent of high 1 school seniors who completed the free application for federal student 2 aid enrolled in a postsecondary institution by the November following 3 graduation versus 51 percent of students who did not complete a free 4 application for federal student aid. In addition, the legislature 5 6 recognizes that the pandemic has exacerbated equity gaps in college 7 access as colleges and universities are experiencing decreases in enrollments among low-income students, despite having one of the 8 largest and most generous need-based financial aid programs in the 9 country. The legislature recognizes that the Washington college grant 10 11 program established in chapter 28B.92 RCW, which education trust 12 called "the most equity-focused free college program in the country" is a critical tool to address these equity gaps and help students 13 14 enter college and apprenticeships. Therefore, it is the legislature's intent to establish an outreach initiative for the Washington college 15 16 grant and an outreach and completion initiative for the free 17 application for federal student aid and Washington application for 18 state financial aid to help students succeed.

NEW SECTION. Sec. 2. A new section is added to chapter 28B.77 RCW to read as follows:

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Subject to availability of amounts appropriated for this specific purpose, the student achievement council shall conduct a statewide marketing campaign to increase awareness of the Washington college grant program established in chapter 28B.92 RCW. The student achievement council shall issue a request for proposal for hiring a marketing firm that will produce high quality advertisements to promote the state's largest financial aid program. Advertisements should be marketed towards potential postsecondary students and their parents with the goal of increasing awareness of the Washington college grant program to further the state's educational attainment goals. The advertisements may include television commercials, billboards, advertisements on public transit, paid internet search advertisements, and social media marketing.

NEW SECTION. Sec. 3. A new section is added to chapter 28B.50 RCW to read as follows:

36 Subject to availability of amounts appropriated for this specific 37 purpose, the college board shall administer a free application for

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federal student aid and Washington application for state financial aid outreach and completion initiative pilot program.

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- The college board shall select community or technical colleges to participate in the pilot program. The colleges selected to participate must each be located within educational service districts that are in the bottom two for free application for federal student aid completion rates when combining their respective school districts' free application for federal student aid completion rates over the past three completed academic years prior to the effective date of this section. Colleges selected to participate shall employ outreach specialists to work directly with the high schools located in the corresponding educational service district. It is the legislature's intent that the outreach specialists be employed at a ratio of one to 600 high school seniors within the corresponding educational service district. The outreach specialists shall make significant contact with high school students and their families for the purpose of increasing free application for federal student aid and Washington application for state financial aid completion rates. The outreach specialists shall use the free application for federal student aid and Washington application for state financial aid data maintained by the student achievement council to conduct targeted outreach and free application for federal student aid and Washington application for state financial aid completion assistance to high school seniors. The outreach specialists shall also provide information on how to access private scholarships. The outreach specialists shall conduct other outreach as appropriate, including virtual or in-person presentations with students and families, announcements on school intercoms and social media channels, outreach to recent high school graduates as peer messengers, and events at school college or career fairs.
- (2) The college board shall report annually to the appropriate committees of the legislature in accordance with RCW 43.01.036 beginning December 1, 2023, on the free application for federal student aid and Washington application for state financial aid outreach and completion initiative pilot program. The report must include details on how the colleges selected used the funding and how the initiatives worked to increase free application for federal student aid and Washington application for state financial aid completion rates. The report must also include before and after free application for federal student aid and Washington application for

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- state financial aid completion data and specific details about the number of high school students assisted in completing the free
- 3 application for federal student aid and Washington application for
- 4 state financial aid.

- NEW SECTION. Sec. 4. (1) Subject to availability of amounts appropriated for this specific purpose, the state library shall administer a grant pilot program with the purpose of increasing free application for federal student aid and Washington application for state financial aid completion rates.
  - (2) The state library shall administer grants to local public libraries located within educational service districts that are in the bottom two for free application for federal student aid completion rates when combining their respective school districts' free application for federal student aid completion rates over the past three completed academic years prior to the effective date of this section. The state library shall, as a condition of the grant pilot program, require local public libraries to partner with community-based organizations including, where appropriate, organizations with proven track records of working with historically underrepresented populations, to increase free application for federal student aid and Washington application for state financial aid completion. The organization or organizations selected shall:
  - (a) Be embedded in their respective community and have a strong foundation of trust among members of the community; and
    - (b) Be committed to working directly with individual members of their community to assist with one-on-one free application for federal student aid and Washington application for state financial aid completion and to provide information on how to access private scholarships.
    - (3) The state library shall report annually to the appropriate committees of the legislature in accordance with RCW 43.01.036 beginning December 1, 2023, on the progress of the library outreach pilot project to boost free application for federal student aid and Washington application for state financial aid completion rates. The report must include the specific number of students that were assisted through the grant pilot program.
- **Sec. 5.** RCW 28B.92.200 and 2019 c 406 s 19 are each amended to 38 read as follows:

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

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- (2) The office shall implement and administer the Washington college grant program and is authorized to establish rules necessary for implementation of the program.
- (3) The legislature shall appropriate funding for the Washington college grant program. Allocations must be made on the basis of estimated eligible participants enrolled in eligible institutions of higher education or apprenticeship programs. All eligible students are entitled to a Washington college grant beginning in academic year 2020-21.
- 17 (4) The office shall award Washington college grants to all eligible students beginning in academic year 2020-21.
  - (5) To be eligible for the Washington college grant, students must meet the following requirements:
    - (a) (i) Demonstrate financial need under RCW 28B.92.205;
  - (ii) Receive one of the following types of public assistance:
- 23 (A) Aged, blind, or disabled assistance benefits under chapter 24 74.62 RCW;
- 25 <u>(B) Essential needs and housing support program benefits under</u> 26 <u>RCW 43.185C.220; or</u>
- 27 (C) Pregnant women assistance program financial grants under RCW 28 74.62.030; or
  - (iii) Be a Washington high school student in the 10th, 11th, or 12th grade whose parent or legal guardian is receiving one of the types of public assistance listed in (a)(ii) of this subsection and have received a certificate confirming eligibility from the office in accordance with section 6 of this act;
  - (b) (i) Be enrolled or accepted for enrollment for at least three quarter credits or the equivalent semester credits at an institution of higher education in Washington as defined in RCW 28B.92.030; or
- (ii) Be enrolled in a registered apprenticeship program approved under chapter 49.04 RCW;
- 39 (c) Be a resident student as defined in RCW 28B.15.012(2) (a) 40 through (e);

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1 (d) File an annual application for financial aid as approved by 2 the office; and

- (e) Must not have earned a baccalaureate degree or higher from a postsecondary institution.
- (6) Washington college grant eligibility may not extend beyond five years or one hundred twenty-five percent of the published length of the program in which the student is enrolled or the credit or clock-hour equivalent.
- (7) Institutional aid administrators shall determine whether a student eligible for the Washington college grant in a given academic year may remain eligible for the ensuing year if the student's family income increases by no more than three percent.
- (8) Qualifications for receipt and renewal include maintaining satisfactory academic progress toward completion of an eligible program as determined by the office and established in rule.
- (9) Should a recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution of higher education according to the institution of higher education's policy for issuing refunds, except as provided in RCW 28B.92.070.
- (10) An eligible student enrolled on a part-time basis shall receive a prorated portion of the Washington college grant for any academic period in which he or she is enrolled on a part-time basis.
- (11) The Washington college grant is intended to be used to meet the costs of postsecondary education for students with financial need. The student shall be awarded all need-based financial aid for which the student qualifies as determined by the institution.
- 29 (12) Students and participating institutions of higher education 30 shall comply with all the rules adopted by the council for the 31 administration of this chapter.
- NEW SECTION. Sec. 6. A new section is added to chapter 28B.92 RCW to read as follows:
  - (1) The office shall enter into a data-sharing agreement with the department of social and health services to facilitate the sharing of individual-level data. The department of social and health services shall send the office a list of all individuals receiving benefits under the public assistance programs listed under RCW 28B.92.200(5) on at least an annual basis. The office shall use the list to confirm

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students' eligibility for the Washington college grant program, without requiring the student to fill out a separate financial aid form. The office may also use the information to conduct outreach promoting the Washington college grant.

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(2) For high school students in 10th, 11th, and 12th grades whose 5 6 families are receiving benefits under one of the public assistance programs listed under RCW 28B.92.200(5), the office shall issue a 7 certificate to the student that validates the student's financial 8 need eligibility for the Washington college grant program. 9 certificate is good for one year after high school graduation and may 10 11 be used upon enrollment in an eligible institution of higher 12 education, provided the student meets the other Washington college grant eligibility requirements. The office shall track and maintain 13 records of students who were issued certificates under this section 14 in order to confirm a student's financial need eligibility with an 15 16 institution of higher education. A student does not need to produce 17 the certificate to receive the Washington college grant.

NEW SECTION. Sec. 7. A new section is added to chapter 28B.92
RCW to read as follows:

The office shall collaborate with the department of social and health services to facilitate individual-level outreach to individuals receiving benefits under the public assistance programs listed under RCW 28B.92.200(5), temporary assistance for needy families under chapter 74.08 RCW, the state family assistance program provided for in rule, and the basic food program to inform these individuals of their eligibility for the Washington college grant program.

- 28 **Sec. 8.** RCW 74.04.060 and 2017 3rd sp.s. c 6 s 817 are each 29 amended to read as follows:
- 30 (1)(a) For the protection of applicants and recipients, the department, the authority, and the county offices and their 31 respective officers and employees are prohibited, except as 32 hereinafter provided, from disclosing the contents of any records, 33 34 files, papers and communications, except for purposes directly connected with the administration of the programs of this title. In 35 any judicial proceeding, except such proceeding as is directly 36 37 concerned with the administration of these programs, such records, files, papers and communications, and their contents, shall be deemed 38

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privileged communications and except for the right of any individual to inquire of the office whether a named individual is a recipient of welfare assistance and such person shall be entitled to an affirmative or negative answer.

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- (b) Unless prohibited by federal law, for the purpose investigating and preventing child abuse and neglect and providing for the health care coordination and well-being of children in foster care, the department and the authority shall disclose to the of children, youth, and families the following department information: Developmental disabilities administration client records; home and community services client records; long-term care facility or certified community residential supports records; health care information; child support information; food assistance information; and public assistance information. Disclosure under this subsection (1)(b) is mandatory for the purposes of the federal health insurance portability and accountability act.
- (c) Upon written request of a parent who has been awarded visitation rights in an action for divorce or separation or any parent with legal custody of the child, the department shall disclose to him or her the last known address and location of his or her natural or adopted children. The secretary shall adopt rules which establish procedures for disclosing the address of the children and providing, when appropriate, for prior notice to the custodian of the children. The notice shall state that a request for disclosure has been received and will be complied with by the department unless the department receives a copy of a court order which enjoins the disclosure of the information or restricts or limits the requesting party's right to contact or visit the other party or the child. Information supplied to a parent by the department shall be used only for purposes directly related to the enforcement of the visitation and custody provisions of the court order of separation or decree of divorce. No parent shall disclose such information to any other person except for the purpose of enforcing visitation provisions of the said order or decree.
- (d) <u>Unless prohibited by federal law, the department is permitted to release individual-level data of state-funded public assistance programs listed under RCW 28B.92.200 to the student achievement council under chapter 28B.77 RCW for the purposes of section 6 of this act.</u>

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(e) The department shall review methods to improve the protection and confidentiality of information for recipients of welfare assistance who have disclosed to the department that they are past or current victims of domestic violence or stalking.

- (2) The county offices shall maintain monthly at their offices a report showing the names and addresses of all recipients in the county receiving public assistance under this title, together with the amount paid to each during the preceding month.
- (3) The provisions of this section shall not apply to duly designated representatives of approved private welfare agencies, public officials, members of legislative interim committees and advisory committees when performing duties directly connected with the administration of this title, such as regulation and investigation directly connected therewith: PROVIDED, HOWEVER, That any information so obtained by such persons or groups shall be treated with such degree of confidentiality as is required by the federal social security law.
- (4) It shall be unlawful, except as provided in this section, for any person, body, association, firm, corporation or other agency to solicit, publish, disclose, receive, make use of, or to authorize, knowingly permit, participate in or acquiesce in the use of any lists or names for commercial or political purposes of any nature. The violation of this section shall be a gross misdemeanor.
- NEW SECTION. Sec. 9. A new section is added to chapter 28B.120 RCW to read as follows:
  - (1) The Washington career and college pathways innovation challenge program is established. The purpose of the program is to meet statewide educational attainment goals established in RCW 28B.77.020 by developing local and regional partnerships that foster innovations to:
  - (a) Increase postsecondary enrollment and completion for students enrolling directly from high school and adults returning to education; and
- 34 (b) Eliminate educational opportunity gaps for students of color, 35 English language learners, students with disabilities, and foster and 36 homeless youth.
- 37 (2)(a) The student achievement council shall administer the 38 program and award grants, based on a competitive grant process, to 39 local and regional partnerships that represent cross-sector

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- collaborations among education and higher education agencies and institutions, local education agencies, local government, community-based organizations, employers, and other local entities.
  - (b) In awarding the grants, the student achievement council shall consider applications that:
  - (i) Plan and pilot innovative initiatives to raise educational attainment and decrease opportunity gaps;
    - (ii) Engage community-based organizations and resources;
    - (iii) Expand the use of integrated work-based learning;
- 10 (iv) Provide financial support to cover expenses beyond 11 educational tuition and fees, and other services and supports for 12 students to enroll and complete education and training; and
  - (v) Include local matching funds.

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- 14 (c) In administering the program the student achievement council 15 may hire staff to support grant oversight and provide technical 16 assistance to grantees.
  - (d) The student achievement council may solicit and receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of the program and may expend the same or any income therefrom according to the terms of the gifts, grants, or endowments.
- 23 (3) The student achievement council shall provide a report each year beginning September 1, 2022, to the governor and the education and higher education committees of the legislature in accordance with RCW 43.01.036. The report shall:
  - (a) Describe grants awarded;
  - (b) Report the progress of each local and regional partnership by reporting on high school graduation, postsecondary enrollment, and completion for each of the regions that partnerships serve; and
- 31 (c) Disaggregate data by income, race, ethnicity, and other 32 demographic characteristics.
- 33 **Sec. 10.** RCW 28B.120.040 and 2012 c 229 s 575 are each amended to read as follows:
- 35 The ((student achievement council fund for innovation and quality)) Washington career and college pathways innovation challenge program account is hereby established in the custody of the state treasurer. The student achievement council shall deposit in the fund all moneys received ((under RCW 28B.120.030)) for the Washington

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- career and college pathways innovation challenge program. Moneys in the fund may be spent only for the purposes of ((RCW 28B.120.010 and 28B.120.020)) awarding grants under the Washington career and college pathways innovation challenge program. Disbursements from the fund shall be on the authorization of the student achievement council. The fund is subject to the allotment procedure provided under chapter 43.88 RCW, ((no)) an appropriation is not required for but disbursements.
- **Sec. 11.** RCW 43.79A.040 and 2021 c 175 s 10 and 2021 c 108 s 5 10 are each reenacted and amended to read as follows:

- (1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.
- (2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.
- (3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.
- (4) (a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.
- (b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Rosa Franklin legislative internship program scholarship (({account})) account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the Washington career and college pathways innovation challenge

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1 program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship 2 endowment fund, the foster care scholarship endowment fund, the 3 foster care endowed scholarship trust fund, the contract harvesting 4 revolving account, the Washington state combined fund drive account, 5 6 the commemorative works account, the county enhanced 911 excise tax account, the county road administration board emergency loan account, 7 the toll collection account, the developmental disabilities endowment 8 trust fund, the energy account, the fair fund, the family and medical 9 leave insurance account, the fish and wildlife federal 10 revolving account, the natural resources federal lands revolving 11 12 account, the food animal veterinarian conditional scholarship account, the forest health revolving account, the fruit and vegetable 13 inspection account, the educator conditional scholarship account, the 14 game farm alternative account, the GET ready for math and science 15 16 scholarship account, the Washington global health technologies and 17 product development account, the grain inspection revolving fund, the 18 Washington history day account, the industrial insurance rainy day 19 fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the 20 local tourism promotion account, the low-income home rehabilitation 21 22 revolving loan program account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, 23 the produce railcar pool account, the public use general aviation 24 25 airport loan revolving account, the regional transportation investment district account, the rural rehabilitation account, the 26 Washington sexual assault kit account, the stadium and exhibition 27 center account, the youth athletic facility account, the self-28 insurance revolving fund, the children's trust fund, the Washington 29 horse racing commission Washington bred owners' bonus fund and 30 31 breeder awards account, the Washington horse racing commission class 32 C purse fund account, the individual development account program account, the Washington horse racing commission operating account, 33 the life sciences discovery fund, the Washington state library-34 archives building account, the reduced cigarette ignition propensity 35 36 account, the center for deaf and hard of hearing youth account, the school for the blind account, the Millersylvania park trust fund, the 37 public employees' and retirees' insurance reserve fund, the school 38 39 benefits board insurance reserve fund, the 40 employees' and retirees' insurance account, the school employees'

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1 insurance account, the long-term services and supports trust account, 2 radiation perpetual maintenance fund, the Indian improvement reinvestment account, the department of licensing tuition 3 recovery trust fund, the student achievement council tuition recovery 4 trust fund, the tuition recovery trust fund, the industrial insurance 5 6 premium refund account, the mobile home park relocation fund, the 7 natural resources deposit fund, the Washington state health insurance pool account, the federal forest revolving account, and the library 8 9 operations account.

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- (c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advance right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.
- (d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- 24 (5) In conformance with Article II, section 37 of the state 25 Constitution, no trust accounts or funds shall be allocated earnings 26 without the specific affirmative directive of this section.
- NEW SECTION. Sec. 12. The following acts or parts of acts are each repealed:
- 29 (1) RCW 28B.120.005 (Findings) and 2010 c 245 s 6, 1999 c 169 s 30 2, & 1991 c 98 s 1;
- 31 (2) RCW 28B.120.010 (Washington fund for innovation and quality 32 in higher education program—Incentive grants) and 2012 c 229 s 571, 33 2010 c 245 s 7, 1999 c 169 s 5, 1996 c 41 s 1, & 1991 c 98 s 2;
- 34 (3) RCW 28B.120.020 (Program administration—Powers and duties of student achievement council) and 2012 c 229 s 572, 2011 1st sp.s. c 11 s 235, 2010 c 245 s 8, 1999 c 169 s 3, 1996 c 41 s 2, & 1991 c 98 s 3;

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- 1 (4) RCW 28B.120.025 (Program administration—Powers and duties of state board for community and technical colleges) and 2012 c 229 s 3 573 & 1999 c 169 s 4;
- 4 (5) RCW 28B.120.030 (Receipt of gifts, grants, and endowments) 5 and 2012 c 229 s 574, 1999 c 169 s 6, & 1991 c 98 s 4; and
- 6 (6) RCW 28B.120.900 (Intent—1999 c 169) and 1999 c 169 s 1.
- NEW SECTION. Sec. 13. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2022, in the omnibus appropriations act, this act is null and void.

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