
SUBSTITUTE HOUSE BILL 1587

State of Washington

69th Legislature

2025 Regular Session

By House Postsecondary Education & Workforce (originally sponsored by Representatives Bergquist, Rude, Reed, Pollet, Reeves, Zahn, Timmons, Doglio, Salahuddin, and Nance)

READ FIRST TIME 02/13/25.

1 AN ACT Relating to encouraging local government partner promise
2 scholarship programs within the Washington state opportunity
3 scholarship program; amending RCW 28B.145.050 and 28B.145.070; adding
4 new sections to chapter 28B.145 RCW; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that
7 postsecondary credentials are vital for creating and maintaining a
8 skilled workforce. To increase Washington's skilled workforce, local
9 governments are encouraged to establish their own local government
10 partner promise scholarship programs within the Washington state
11 opportunity scholarship program to further reduce barriers for
12 students within their jurisdiction. Current barriers may include
13 scholarship applications, income limits, and degree program
14 requirements. The purpose of this act is for local governments that
15 establish local government partner promise scholarship programs to
16 have minimal administrative duties, making benefits to students
17 substantial. Therefore, it is the intent of the legislature to
18 encourage additional local government partner promise scholarship
19 programs to serve more students with fewer barriers.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.145

2 RCW to read as follows:

3 (1) A local government partner may establish its own promise
4 scholarship program within the opportunity scholarship program. The
5 local government partner promise scholarship program shall be
6 administered by the Washington state opportunity scholarship program.
7 The program administrator shall assist the local government partner
8 in the selection, notification, and disbursement of scholarship
9 awards.

10 (2) To be eligible to participate in a local government partner
11 promise scholarship program, a student must have received his or her
12 high school diploma or high school equivalency certificate as
13 provided in RCW 28B.50.536 in Washington and attend a public two-year
14 institution of higher education or a professional-technical
15 certificate or degree program in an education program at an
16 institution of higher education as defined by the local government
17 partner. Eligibility may not extend beyond three years or 125 percent
18 of the published length of the program in which the student is
19 enrolled or the credit or clock-hour equivalent.

20 (3) A local government partner that establishes a promise
21 scholarship program may establish separate rules for its program that
22 are independent from the broader Washington state opportunity
23 scholarship program.

24 (4) The value of the scholarship award under the local government
25 partner promise scholarship program is, at minimum, the difference
26 between the recipient's total tuition fees as defined in RCW
27 28B.15.020 and services and activities fees as defined in RCW
28 28B.15.041, less the value of any state-funded grant including the
29 college bound scholarship program established in chapter 28B.118 RCW
30 and the Washington college grant created in RCW 28B.92.200,
31 scholarship, gift aid, or waiver assistance the recipient receives.
32 The local government partner may provide additional scholarship
33 awards to cover reasonable expenses associated with the costs of
34 acquiring an education such as books, equipment, room and board, and
35 other expenses as determined by the local government partner.

36 (5) The office of student financial assistance and the
37 institutions of higher education may not consider awards made under a
38 local government partner's promise scholarship program to be state-
39 funded for the purpose of determining the value of an award for other
40 state financial aid programs.

1 (6) If a student participating in a local government partner
2 promise scholarship program transfers to an institution not eligible
3 under the local government partner's promise scholarship program
4 rules, the student must reapply to the broader opportunity
5 scholarship program and meet all eligibility requirements. A local
6 government partner may continue to provide funds to the student
7 through its own promise scholarship program if the local government
8 partner's program rules allow continued payment. A student may not
9 receive funds from the broader Washington state opportunity
10 scholarship program and the local government partner promise
11 scholarship program at the same time.

12 (7) A participating student's eligibility must be reconfirmed
13 prior to each disbursement of funds.

14 (8) In consultation with the local government partner, the
15 administrator's duties include:

16 (a) Implementing a selection and notification process for
17 awarding local government scholarship funds;

18 (b) Distributing funds to selected students; and

19 (c) Notifying institutions of higher education of the local
20 government scholarship recipients who will attend their institutions
21 of higher education and informing the institutions of the scholarship
22 fund amounts and terms of the awards.

23 (9) Ten percent of the local government partner funds, excluding
24 state matching funds, may be used for the operational costs listed in
25 subsection (8) of this section. The local government partner may opt
26 to have additional programmatic support from the broader Washington
27 opportunity scholarship program, such as application or marketing
28 support, for an additional agreed-upon fee.

29 (10) In the event that there are not enough funds to serve all
30 eligible applicants, priority must be given to applicants to the
31 broader Washington state opportunity scholarship program over
32 applicants to a government partner promise scholarship program.

33 (11) For each local government partner promise scholarship
34 program, state matching funds shall be limited to \$300,000 per fiscal
35 year.

36 (12) For purposes of this section, "government partner" means
37 municipalities, counties, or federally recognized Indian tribes.

38 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.145
39 RCW to read as follows:

1 (1) All institutions of higher education that participate in the
2 opportunity scholarship program, including a local government partner
3 promise scholarship program pursuant to section 2 of this act, shall
4 provide timely verification of eligibility information to the program
5 administrator.

6 (2) Beginning in 2025, the education research and data center
7 shall provide data on the outcomes of Washington state opportunity
8 scholarship recipients and graduates by November 1st of each year.

9 **Sec. 4.** RCW 28B.145.050 and 2020 c 357 s 912 are each amended to
10 read as follows:

11 (1) The opportunity scholarship match transfer account is created
12 in the custody of the state treasurer as a nonappropriated account to
13 be used solely and exclusively for the opportunity scholarship
14 program created in RCW 28B.145.040 and the local government partner
15 promise programs authorized in section 2 of this act. The purpose of
16 the account is to provide matching funds for the opportunity
17 scholarship program and the local government partner promise
18 programs.

19 (2) Revenues to the account shall consist of appropriations by
20 the legislature into the account and any gifts, grants, or donations
21 received by the executive director of the council for this purpose.

22 (3) No expenditures from the account may be made except upon
23 receipt of proof, by the executive director of the council from the
24 program administrator, of private contributions to the opportunity
25 scholarship program. Expenditures, in the form of matching funds, may
26 not exceed the total amount of private contributions.

27 (4) Only the executive director of the council or the executive
28 director's designee may authorize expenditures from the opportunity
29 scholarship match transfer account. Such authorization must be made
30 as soon as practicable following receipt of proof as required under
31 subsection (3) of this section.

32 (5) The council shall enter into an appropriate agreement with
33 the program administrator to demonstrate exchange of consideration
34 for the matching funds.

35 (6) During the 2019-2021 fiscal biennium, expenditures from the
36 opportunity scholarship match transfer account may be used for
37 payment to the program administrator for administrative duties
38 carried out under this chapter in an amount not to exceed two hundred
39 fifty thousand dollars per fiscal year.

1 **Sec. 5.** RCW 28B.145.070 and 2018 c 254 s 8 are each amended to
2 read as follows:

3 (1) Annually each December 1st, the board, together with the
4 program administrator, shall report to the council, the governor, and
5 the appropriate committees of the legislature regarding the rural
6 jobs program (~~and~~), the opportunity scholarship program, and the
7 opportunity expansion program(~~s~~), including but not limited to:

8 (a) Which education programs the board determined were eligible
9 for purposes of the opportunity scholarship and which high employer
10 demand fields within eligible counties were identified for purposes
11 of the rural jobs program;

12 (b) The number of applicants for the opportunity scholarship and
13 rural jobs program, disaggregated, to the extent possible, by race,
14 ethnicity, gender, county of origin, age, and median family income;

15 (c) The number of participants in the opportunity scholarship
16 program and rural jobs program, disaggregated, to the extent
17 possible, by race, ethnicity, gender, county of origin, age, and
18 median family income;

19 (d) The number and amount of the scholarships actually awarded,
20 whether the scholarships were paid from the student support pathways
21 account, the scholarship account, or the endowment account, and the
22 number and amount of scholarships actually awarded under the rural
23 jobs program;

24 (e) The institutions and eligible education programs in which
25 opportunity scholarship participants enrolled, together with data
26 regarding participants' completion and graduation, and the
27 institutions and programs in which recipients of the rural jobs
28 program scholarship enrolled, together with recipients' data on
29 completion and graduation;

30 (f) The total amount of private contributions and state match
31 moneys received for the rural jobs program and the opportunity
32 scholarship program, how the funds under the opportunity scholarship
33 program were distributed between the student support pathways
34 account, the scholarship account, and the endowment account, the
35 interest or other earnings on all the accounts created under this
36 chapter, and the amount of any administrative fee paid to the program
37 administrator; (~~and~~)

38 (g) Identification of the programs the board selected to receive
39 opportunity expansion awards and the amount of such awards; and

1 (h) For local government partners as defined in section 2 of this
2 act:

3 (i) The total amount of private contributions and state match
4 moneys received; and

5 (ii) The total number of students served by each local government
6 partner.

7 (2) In the next succeeding legislative session following receipt
8 of a report required under subsection (1) of this section, the
9 appropriate committees of the legislature shall review the report and
10 consider whether any legislative action is necessary with respect to
11 the rural jobs program, the opportunity scholarship program, or the
12 opportunity expansion program, including but not limited to
13 consideration of whether any legislative action is necessary with
14 respect to the nature and level of focus on high employer demand
15 fields and the number and amount of scholarships.

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