
SUBSTITUTE HOUSE BILL 1048

State of Washington

63rd Legislature

2013 Regular Session

By House Higher Education (originally sponsored by Representatives Seaquist and Haler)

READ FIRST TIME 02/18/13.

1 AN ACT Relating to higher education governance; amending RCW
2 28A.150.510, 28B.10.630, 28B.50.903, 28B.67.010, 28B.76.335,
3 28B.76.340, 28B.76.670, 28B.77.003, 28B.77.010, 28B.77.020, 28B.77.070,
4 28B.105.020, 28B.105.030, 28B.115.100, 28B.115.150, 28B.117.020,
5 28B.117.030, 28B.118.040, 28B.145.010, 28B.145.030, 28B.145.050,
6 28B.145.060, and 28B.145.070; reenacting and amending RCW 28B.15.068,
7 28B.118.010, 43.88.230, and 44.04.260; reenacting RCW 43.330.310;
8 adding new sections to chapter 28B.77 RCW; recodifying RCW 28B.76.335
9 and 28B.76.340; repealing RCW 44.04.360, 44.04.362, and 44.04.364; and
10 providing an expiration date.

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

12 **Sec. 1.** RCW 28A.150.510 and 2012 c 163 s 9 are each amended to
13 read as follows:

14 (1) In order to effectively serve students who are dependent
15 pursuant to chapter 13.34 RCW, education records shall be transmitted
16 to the department of social and health services within two school days
17 after receiving the request from the department provided that the
18 department certifies that it will not disclose to any other party the
19 education records without prior written consent of the parent or

1 student unless authorized to disclose the records under state law. The
2 department of social and health services is authorized to disclose
3 education records it obtains pursuant to this section to a foster
4 parent, guardian, or other entity authorized by the department to
5 provide residential care to the student. The department is also
6 authorized to disclose educational records it obtains pursuant to this
7 section to those entities with which it has contracted, or with which
8 it is formally collaborating, having responsibility for educational
9 support services and educational outcomes of students who are dependent
10 pursuant to chapter 13.34 RCW. The department is encouraged to put in
11 place data-sharing agreements to assure accountability.

12 (2)(a) The K-12 data governance group established under RCW
13 28A.300.507 shall create a comprehensive needs requirement document
14 detailing the specific information, technical capacity, and any federal
15 and state statutory and regulatory changes needed by school districts,
16 the office of the superintendent of public instruction, the department
17 of social and health services, or the (~~higher education coordinating~~
18 ~~board or its successor~~) student achievement council, to enable the
19 provision, on at least a quarterly basis, of:

20 (i) Current education records of students who are dependent
21 pursuant to chapter 13.34 RCW to the department of social and health
22 services and, from the department, to those entities with which the
23 department has contracted, or with which it is formally collaborating,
24 having responsibility for educational support services and educational
25 outcomes; and

26 (ii) The names and contact information of students who are
27 dependent pursuant to chapter 13.34 RCW and are thirteen years or older
28 to the (~~higher education coordinating board or its successor~~) student
29 achievement council and the private agency with which it has contracted
30 to perform outreach for the passport to college promise program under
31 chapter 28B.117 RCW or the college bound scholarship program under
32 chapter 28B.118 RCW.

33 (b) In complying with (a) of this subsection, the K-12 data
34 governance group shall consult with: Educational support service
35 organizations, with which the department of social and health services
36 contracts or collaborates, having responsibility for educational
37 support services and educational outcomes of dependent students; the
38 passport to college advisory committee; the education support service

1 organizations under contract to perform outreach for the passport to
2 college promise program under chapter 28B.117 RCW; the department of
3 social and health services; the office of the attorney general; the
4 (~~higher education coordinating board or its successor~~) student
5 achievement council; and the office of the administrator for the
6 courts.

7 (c) By December 1, 2012, the superintendent of public instruction
8 shall submit a report to the governor and the appropriate committees of
9 the legislature regarding: The analysis of needs by the K-12 data
10 governance group; a timeline for addressing those needs for which no
11 statutory changes are necessary and that can be implemented within
12 existing resources; and recommended options for addressing identified
13 needs for which statutory changes, additional funding, or both, are
14 necessary.

15 **Sec. 2.** RCW 28B.10.630 and 2010 1st sp.s. c 14 s 1 are each
16 amended to read as follows:

17 (1) It is the intent of the legislature that state universities
18 engage in the commercialization of research and other economic
19 development and workforce development activities that benefit the
20 intermediate and long-term economic vitality of Washington. State
21 universities are expected to develop and strengthen university-industry
22 relationships through the conduct of research, the support of company
23 formation and job generation, and collaborative training. The state
24 universities, using a collaborative process that may include both in-
25 house resources and independent contractors with necessary technical
26 expertise or innovative processes, must perform one or more of the
27 following functions:

28 (a) Provide collaborative research and technology transfer
29 opportunities;

30 (b) Publicize their commercialization processes and include an
31 explanation of how to access commercialization resources at the
32 universities;

33 (c) Develop mechanisms for pairing researchers, entrepreneurs, and
34 investors. Such mechanisms are to include, but are not limited to,
35 developing guides, web sites, or workshops on funding opportunities, on
36 entrepreneurship and the process of starting a company, and on
37 university-industry relations;

1 (d) Host events to connect researchers to entrepreneurs, investors,
2 and individuals from the state's technology-based industries; and

3 (e) Provide opportunities for training undergraduate and graduate
4 students through direct involvement in research and industry
5 interactions.

6 (2) In carrying out the functions in this section, the universities
7 may work with and through the (~~higher education coordinating board~~)
8 student achievement council.

9 **Sec. 3.** RCW 28B.15.068 and 2012 c 229 s 524 are each reenacted and
10 amended to read as follows:

11 (1) In order to facilitate the full implementation of chapter 10,
12 Laws of 2011 1st sp. sess. for the 2011-12 through 2018-19 academic
13 years (~~and thereafter~~), the institutions of higher education are
14 authorized to adopt tuition levels that are less than, equal to, or
15 greater than the tuition levels assumed in the omnibus appropriations
16 act, subject to the conditions and limitations in this chapter and the
17 omnibus appropriations act.

18 (2) By September 1st of each year beginning in 2011, the office of
19 financial management shall report to the governor, the student
20 achievement council, and appropriate committees of the legislature with
21 updated estimates of:

22 (a) The total per-student funding level that represents the
23 sixtieth percentile of funding for similar institutions of higher
24 education in the global challenge states; and

25 (b) The tuition that represents the sixtieth percentile of resident
26 undergraduate tuition for similar institutions of higher education in
27 the global challenge states.

28 (3) As used in this section, "global challenge states" are the top
29 performing states on the new economy index published by the progressive
30 policy institute as of July 22, 2007. The new economy index ranks
31 states on indicators of their potential to compete in the new economy.
32 At least once every five years, the office of financial management
33 shall determine if changes to the list of global challenge states are
34 appropriate. The office of financial management shall report its
35 findings to the governor and the legislature.

36 (4) Institutions of higher education, in collaboration with
37 relevant student associations, shall aim to have all students who can

1 benefit from available tax credits that mitigate the costs of higher
2 education take advantage of these opportunities. These tax credits
3 include the American opportunity tax credit provided in the American
4 recovery and reinvestment act of 2009, the lifetime learning credit,
5 and other relevant tax credits for as long as they are available.

6 (5)(a) Institutions shall make every effort to communicate to
7 students and their families the benefits of such tax credits and
8 provide assistance to students and their families on how to apply.

9 (b) Information about relevant tax credits shall, to the greatest
10 extent possible, be incorporated into financial aid counseling,
11 admission information, and individual billing statements.

12 (c) Institutions shall, to the greatest extent possible, use all
13 means of communication, including but not limited to web sites, online
14 catalogues, admission and registration forms, mass email messaging,
15 social media, and outside marketing to ensure information about
16 relevant tax credits is visible and compelling, and reaches the maximum
17 amount of student and families that can benefit.

18 (6) In the event that the economic value of the American
19 opportunity tax credit is reduced or expires at any time before
20 December 31, 2012, institutions of higher education shall:

21 (a) Develop an updated tuition mitigation plan established under
22 RCW 28B.15.102 for the purpose of minimizing, to the greatest extent
23 possible, the increase in net cost of tuition or total cost of
24 attendance for students resulting from any such change. This plan
25 shall include the methods specified by the four-year institution of
26 higher education to avoid adding additional loan debt burdens to
27 students regardless of the source of such loans;

28 (b) Report to the governor and the relevant committees of the
29 legislature on their plans to adjust their tuition mitigation plans no
30 later than ninety days after any such change to the American
31 opportunity tax credit.

32 **Sec. 4.** RCW 28B.50.903 and 2012 c 50 s 2 are each amended to read
33 as follows:

34 (1) The state board for community and technical colleges, in
35 collaboration with aerospace or advanced materials long-term training
36 providers, short-term training providers whose mission is focused on
37 customized and innovative short-term training, and apprenticeship

1 program providers, shall facilitate coordination and alignment of
2 aerospace training programs to the maximum extent possible. This
3 coordination and alignment shall include but not be limited to the
4 following activities:

5 (a) Providing up-to-date information about the aerospace and
6 advanced materials manufacturing training programs in the state;

7 (b) Providing information about grants and partnership
8 opportunities;

9 (c) Providing coordination for professional development for faculty
10 and other education and training providers;

11 (d) Evaluating programs identified by the aerospace and advanced
12 materials manufacturing pipeline advisory committee annually for
13 completion and job placement results; and

14 (e) Making budget recommendations to the governor and the
15 legislature specific to the aerospace and advanced materials
16 manufacturing training programs.

17 (2) The state board for community and technical colleges shall
18 establish an aerospace and advanced materials manufacturing pipeline
19 advisory committee consisting of not less than eleven nor more than
20 fifteen members. A majority of members shall represent industry with
21 the chair selected by the committee from among the industry members.
22 Members of the advisory committee shall also include at least two
23 persons representing labor who represent aerospace or advanced
24 materials production workers and also include education and training
25 providers including, but not limited to, the director of a long-term
26 training program, the director of a short-term training program whose
27 mission is to focus on customized and innovative short-term training,
28 and the director of an apprenticeship program. The advisory
29 committee's duties include but are not limited to:

30 (a) Providing direction for a skills gap analysis that is: (i)
31 Produced with the workforce training and education coordinating board
32 using data developed through the education data center; and (ii)
33 consistent with the joint assessment by the (~~higher education~~
34 ~~coordinating board or its successor~~) student achievement council, the
35 state board for community and technical colleges, and the workforce
36 training and education coordinating board of the number and type of
37 higher education and training credentials required to match employer
38 demand for a skilled and educated workforce;

1 (b) Establishing goals for students served, program completion
2 rates, and employment rates;

3 (c) Coordinating and disseminating industry advice for aerospace
4 and advanced materials manufacturing training programs; and

5 (d) Recommending training programs for review by the workforce
6 training and education coordinating board in coordination with the
7 state board for community and technical colleges.

8 (3) All requirements in this section are subject to the
9 availability of amounts appropriated for the specific purposes
10 described.

11 **Sec. 5.** RCW 28B.67.010 and 2006 c 112 s 2 are each amended to read
12 as follows:

13 The definitions in this section apply throughout this chapter
14 unless the context clearly requires otherwise.

15 (1) "Board" means the state board for community and technical
16 colleges.

17 (2) "Costs of training" and "training costs" means the direct costs
18 experienced under a contract with a qualified training institution for
19 formal technical or skill training, including basic skills. "Costs of
20 training" includes amounts in the contract for costs of instruction,
21 materials, equipment, rental of class space, marketing, and overhead.
22 "Costs of training" does not include employee tuition reimbursements
23 unless the tuition reimbursement is specifically included in a
24 contract.

25 (3) "Participant" means a private employer that, under this
26 chapter, undertakes a training program with a qualified training
27 institution.

28 (4) "Qualified training institution" means a public community or
29 technical college or a private vocational school licensed by either the
30 workforce training and education coordinating board or the (~~higher~~
31 ~~education coordinating board~~) student achievement council.

32 (5) "Training allowance" and "allowance" means a voucher, credit,
33 or payment from the board to a participant to cover training costs.

34 (6) "Training program" means a program funded under this chapter at
35 a qualified training institution.

1 **Sec. 6.** RCW 28B.76.335 and 2010 c 235 s 507 are each amended to
2 read as follows:

3 As part of the state needs assessment process conducted by the
4 ((~~board~~)) council in accordance with RCW ((~~28B.76.230~~)) 28B.77.080, the
5 ((~~board~~)) council shall, in collaboration with the professional
6 educator standards board, assess the need for additional degree and
7 certificate programs in Washington that specialize in teacher
8 preparation to meet regional or subject area shortages. If the
9 ((~~board~~)) council determines that there is a need for additional
10 programs, then the ((~~board~~)) council shall encourage the appropriate
11 institutions of higher education or institutional sectors to create
12 such a program.

13 **Sec. 7.** RCW 28B.76.340 and 2010 c 235 s 508 are each amended to
14 read as follows:

15 (1) The ((~~board~~)) council must establish boundaries for service
16 regions for institutions of higher education as defined in RCW
17 28B.10.016 implementing professional educator standards board-approved
18 educator preparation programs. Regions shall be established to
19 encourage and support, not exclude, the reach of public institutions of
20 higher education across the state.

21 (2) Based on the data in the assessment in RCW ((~~28B.76.230~~))
22 28B.77.080 and 28B.76.335 (as recodified by this act), the ((~~board~~))
23 council shall determine whether reasonable teacher preparation program
24 access for prospective teachers is available in each region. If access
25 is determined to be inadequate in a region, the institution of higher
26 education responsible for the region shall submit a plan for meeting
27 the access need to the ((~~board~~)) council.

28 (3) Partnerships with other teacher preparation program providers
29 and the use of appropriate technology shall be considered. The
30 ((~~board~~)) council shall review the plan and, as appropriate, assist the
31 institution in developing support and resources for implementing the
32 plan.

33 **Sec. 8.** RCW 28B.76.670 and 2011 1st sp.s. c 11 s 124 are each
34 amended to read as follows:

35 (1) Recipients of the Washington award for vocational excellence
36 under RCW 28C.04.520 through 28C.04.550, who receive the award after

1 June 30, 1994, may receive a grant, if funds are available. The grant
2 shall be used to attend a postsecondary institution located in the
3 state of Washington. Recipients may attend an institution of higher
4 education as defined in RCW 28B.10.016, or an independent college or
5 university, or a licensed private vocational school. The office shall
6 distribute grants to eligible students under this section from moneys
7 appropriated for this purpose. The individual grants shall not exceed,
8 on a yearly basis, the yearly, full-time, resident, undergraduate
9 tuition and service and activities fees in effect at the state-funded
10 research universities. In consultation with the workforce training and
11 education coordinating board, the office shall establish procedures, by
12 rule, to disburse the awards as direct grants to the students.

13 (2) To qualify for the grant, recipients shall enter the
14 postsecondary institution within three years of high school graduation
15 and maintain a minimum grade point average at the institution
16 equivalent to 3.00, or, at a technical college, an above average
17 rating. Students shall be eligible to receive a maximum of two years
18 of grants for undergraduate study and may transfer among in-state
19 eligible postsecondary institutions during that period and continue to
20 receive the grant.

21 (3) No grant may be awarded to any student who is pursuing a degree
22 in theology.

23 (4) As used in this section, "independent college or university"
24 means a private, nonprofit educational institution, the main campus of
25 which is permanently situated in the state, open to residents of the
26 state, providing programs of education beyond the high school level
27 leading at least to the baccalaureate degree, and accredited by the
28 Northwest association of schools and colleges as of June 9, 1988, and
29 other institutions as may be developed that are approved by the
30 (~~higher education coordinating board~~) student achievement council as
31 meeting equivalent standards as those institutions accredited under
32 this section.

33 (5) As used in this section, "licensed private vocational school"
34 means a private postsecondary institution, located in the state,
35 licensed by the workforce training and education coordinating board
36 under chapter 28C.10 RCW, and offering postsecondary education in order
37 to prepare persons for a vocation or profession, as defined in RCW
38 28C.10.020(7).

1 **Sec. 9.** RCW 28B.77.003 and 2012 c 229 s 103 are each amended to
2 read as follows:

3 (1) Guided by the state's overarching objective of substantially
4 increasing educational attainment for the purposes outlined in RCW
5 28B.77.001, the council's ~~((has a dual))~~ mission is:

6 (a) To propose to the governor and the legislature goals for
7 increasing educational attainment in Washington, recommend the
8 resources necessary to achieve the goals, and monitor progress toward
9 meeting the goals;

10 (b) To propose to the governor, the legislature, and the state's
11 educational institutions, improvements and innovations needed to
12 continually adapt the state's educational institutions to evolving
13 educational attainment needs; and

14 (c) To advocate for higher education through various means, with
15 the goal of educating the general public on the economic, social, and
16 civic benefits of postsecondary education, and the consequent need for
17 increased financial support and civic commitment in the state.

18 (2) In the pursuit of the missions the council links the work of
19 educational programs, schools, and institutions from secondary through
20 postsecondary education and training and through careers. The council
21 must connect the work of the superintendent of public instruction, the
22 state board of education, the professional educator standards board,
23 the state board for community and technical colleges, the workforce
24 training and education coordinating board, and the four-year
25 institutions of higher education, as well as the independent schools
26 and colleges.

27 (3) Drawing on the staff expertise of the council and other state,
28 national, and international analysis and research assets, the council
29 must also take a leading role in facilitating educational attainment
30 analysis and research leading to increased educational attainment and
31 education system development.

32 **Sec. 10.** RCW 28B.77.010 and 2012 c 229 s 102 are each amended to
33 read as follows:

34 The definitions in this section apply throughout this chapter
35 unless the context clearly requires otherwise.

36 (1) (~~("Committee" means the joint higher education committee.~~
37 ~~(2))~~) "Council" means the student achievement council.

1 (~~(3)~~) (2) "Education data center" means the education data center
2 established in the office of financial management as provided under RCW
3 43.41.400.

4 (~~(4)~~) (3) "Four-year institutions of higher education" means the
5 University of Washington, Washington State University, Central
6 Washington University, Eastern Washington University, Western
7 Washington University, and The Evergreen State College.

8 (~~(5)~~) (4) "Major expansion" means expansion of the higher
9 education system that requires significant new capital investment,
10 including building new institutions, campuses, branches, or centers or
11 conversion of existing campuses, branches, or centers that would result
12 in a mission change.

13 (~~(6)~~) (5) "Mission change" means a change in the level of degree
14 awarded or institutional type not currently authorized in statute.

15 (~~(7)~~) (6) "Office" means the office of student financial
16 assistance created in RCW 28B.76.090.

17 **Sec. 11.** RCW 28B.77.020 and 2012 c 229 s 104 are each amended to
18 read as follows:

19 (1) Aligned with the state's biennial budget and policy cycles, the
20 council shall propose educational attainment goals and priorities to
21 meet the state's evolving needs. The council shall identify strategies
22 for meeting the goals and priorities by means of a short-term strategic
23 action plan and a ten-year plan that serves as a roadmap.

24 (a) The goals must address the needs of Washington residents to
25 reach higher levels of educational attainment and Washington's
26 workforce needs for certificates and degrees in particular fields of
27 study.

28 (b) The council shall identify the resources it deems appropriate
29 to meet statewide goals and also recognize current state economic
30 conditions and state resources.

31 (c) In proposing goals, the council shall collaborate with the
32 superintendent of public instruction, the professional educator
33 standards board, the state board of education, the state board for
34 community and technical colleges, the four-year institutions of higher
35 education, independent colleges and degree-granting institutions,
36 certificate-granting institutions, and the workforce training and
37 education coordinating board.

1 (2) The council shall update the strategic action plan every two
2 years with the first strategic action plan to be submitted to the
3 governor and the legislature by December 1, 2012. The ten-year roadmap
4 must be updated every two years with the first roadmap to be submitted
5 to the governor and the legislature by December 1, 2013. (~~The council
6 must provide regular updates to the joint higher education committee
7 created in RCW 44.04.360 as needed.~~)

8 (3) In order to develop the ten-year roadmap, the council shall
9 conduct strategic planning in collaboration with agencies and
10 stakeholders and include input from the legislature. The roadmap must
11 encompass all sectors of higher education, including secondary to
12 postsecondary transitions. The roadmap must outline strategies that
13 address:

14 (a) Strategic planning, which includes setting benchmarks and goals
15 for long-term degree production generally and in particular fields of
16 study;

17 (b) Expanding access, affordability, quality, efficiency, and
18 accountability among the various institutions of higher education;

19 (c) Higher education finance planning and strategic investments
20 including budget recommendations necessary to meet statewide goals;

21 (d) System design and coordination;

22 (e) Improving student transitions;

23 (f) Higher education data and analysis, in collaboration with the
24 education data center, which includes outcomes for recruitment,
25 retention, and success of students;

26 (g) College and career access preparedness, in collaboration with
27 the office of the superintendent of public instruction and the state
28 board of education;

29 (h) Expanding participation and success for racial and ethnic
30 minorities in higher education;

31 (i) Development and expansion of innovations in higher education
32 including innovations to increase attainment of postsecondary
33 certificates, and associate, baccalaureate, graduate, and professional
34 degrees; and innovations to improve precollege education in terms of
35 cost-effectiveness and transitions to college-level education; and

36 (j) Relevant policy research.

37 (4) As needed, the council must conduct system reviews consistent
38 with RCW 28B.77.080.

1 (5) The council shall facilitate the development and expansion of
2 innovative practices within, between, and among the sectors to increase
3 educational attainment and assess the effectiveness of the innovations.

4 (6) The council shall use the data and analysis produced by, and in
5 consultation with, the education data center created in RCW 43.41.400
6 in developing policy recommendations and proposing goals. In
7 conducting research and analysis the council at a minimum must:

8 (a) Identify barriers to increasing educational attainment,
9 evaluate effectiveness of various educational models, identify best
10 practices, and recommend methods to overcome barriers;

11 (b) Analyze data from multiple sources including data from academic
12 research and from areas and agencies outside of education including but
13 not limited to data from the department of health, the department of
14 corrections, and the department of social and health services to
15 determine best practices to remove barriers and to improve educational
16 attainment;

17 (c) Assess educational achievement disaggregated by income level,
18 age, gender, race and ethnicity, country of origin, and other relevant
19 demographic groups working with data from the education data center;

20 (d) Track progress toward meeting the state's goals;

21 (e) Communicate results and provide access to data analysis to
22 policymakers, the superintendent of public instruction, institutions of
23 higher education, students, and the public; and

24 (f) Use data from the education data center wherever appropriate to
25 conduct duties in (a) through (e) of this subsection.

26 (7) The council shall collaborate with the appropriate state
27 agencies and stakeholders, including the state board of education, the
28 office of the superintendent of public instruction, the state board for
29 community and technical colleges, the workforce training and education
30 coordinating board, and the four-year institutions of higher education
31 to improve student transitions and success including but not limited
32 to:

33 (a) Setting minimum college admission standards for four-year
34 institutions of higher education, including a requirement that
35 coursework in American sign language or an American Indian language
36 satisfies any requirement for instruction in a language other than
37 English that the council or the institutions may establish as a general
38 undergraduate admissions requirement;

1 (b) Proposing comprehensive policies and programs to encourage
2 students to prepare for, understand how to access, and pursue
3 postsecondary college and career programs, including specific policies
4 and programs for students with disabilities;

5 (c) Recommending policies that require coordination between or
6 among sectors such as dual high school-college programs, awarding
7 college credit for advanced high school work, and transfer between two
8 and four-year institutions of higher education or between different
9 four-year institutions of higher education; and

10 (d) Identifying transitions issues and solutions for students, from
11 high school to postsecondary education including community and
12 technical colleges, four-year institutions of higher education,
13 apprenticeships, training, or workplace education; between two-year and
14 four-year institutions of higher education; and from postsecondary
15 education to career. In addressing these issues the council must
16 recognize that these transitions may occur multiple times as students
17 continue their education.

18 (8) The council directs the work of the office, which includes
19 administration of student financial aid programs under RCW 28B.76.090,
20 including the state need grant and other scholarships, the Washington
21 advanced college tuition payment program, and work-study programs.

22 (9) The council may administer state and federal grants and
23 programs including but not limited to those programs that provide
24 incentives for improvements related to increased access and success in
25 postsecondary education.

26 (10) The council shall protect higher education consumers
27 including:

28 (a) Approving degree-granting postsecondary institutions consistent
29 with existing statutory criteria;

30 (b) Establishing minimum criteria to assess whether students who
31 attend proprietary institutions of higher education shall be eligible
32 for the state need grant and other forms of state financial aid.

33 (i) The criteria shall include retention rates, completion rates,
34 loan default rates, and annual tuition increases, among other criteria
35 for students who receive state need grant as in chapter 28B.92 RCW and
36 any other state financial aid.

37 (ii) The council may remove proprietary institutions of higher

1 education from eligibility for the state need grant or other form of
2 state financial aid if it finds that the institution or college does
3 not meet minimum criteria.

4 (iii) The council shall report by December 1, 2014, to the
5 (~~joint~~) higher education committees (~~in RCW 44.04.360~~) of the
6 legislature on the outcomes of students receiving state need grants,
7 impacts on meeting the state's higher education goals for educational
8 attainment, and options for prioritization of the state need grant and
9 possible consequences of implementing each option. When examining
10 options for prioritizing the state need grant the council shall
11 consider awarding grants based on need rather than date of application
12 and making awards based on other criteria selected by the council.

13 (11) The council shall adopt residency requirements by rule.

14 (12) The council shall arbitrate disputes between and among four-
15 year institutions of higher education and the state board for community
16 and technical colleges at the request of one or more of the
17 institutions involved, or at the request of the governor, or from a
18 resolution adopted by the legislature. The decision of the council
19 shall be binding on the participants in the dispute.

20 (13) The council may solicit, accept, receive, and administer
21 federal funds or private funds, in trust, or otherwise, and contract
22 with foundations or with for-profit or nonprofit organizations to
23 support the purposes and functions of the council.

24 (14) The council shall represent the broad public interest above
25 the interests of the individual institutions of higher education.

26 **Sec. 12.** RCW 28B.77.070 and 2012 c 229 s 110 are each amended to
27 read as follows:

28 (1) The council shall identify budget priorities and levels of
29 funding for higher education, including the two and four-year
30 institutions of higher education and state financial aid programs. It
31 is the intent of the legislature for the council to make budget
32 recommendations for allocations for major policy changes in accordance
33 with priorities set forth in the ten-year plan, but the legislature
34 does not intend for the council to review and make recommendations on
35 individual institutional budgets. It is the intent of the legislature
36 that recommendations from the council prioritize funding needs for the
37 overall system of higher education in accordance with priorities set

1 forth in the ten-year plan. It is also the intent of the legislature
2 that the council's recommendations take into consideration the total
3 per-student funding at similar public institutions of higher education
4 in the global challenge states.

5 (2) By December of each odd-numbered year, the council shall
6 outline the council's fiscal priorities under the ten-year plan that it
7 must distribute to the institutions, the state board for community and
8 technical colleges, the office of financial management, and the
9 (~~joint~~) higher education and fiscal committees of the legislature.

10 (a) Capital budget outlines for the two-year institutions shall be
11 submitted to the office of financial management by August 15th of each
12 even-numbered year, and shall include the prioritized ranking of the
13 capital projects being requested, a description of each capital
14 project, and the amount and fund source being requested.

15 (b) Capital budget outlines for the four-year institutions must be
16 submitted to the office of financial management by August 15th of each
17 even-numbered year, and must include: The institutions' priority
18 ranking of the project; the capital budget category within which the
19 project will be submitted to the office of financial management in
20 accordance with RCW 43.88D.010; a description of each capital project;
21 and the amount and fund source being requested.

22 (c) The office of financial management shall reference these
23 reporting requirements in its budget instructions.

24 (3) The council shall submit recommendations on the operating
25 budget priorities to support the ten-year plan to the office of
26 financial management by October 1st each year, and to the legislature
27 by January 1st each year.

28 (4)(a) The office of financial management shall develop one
29 prioritized list of capital projects for the legislature to consider
30 that includes all of the projects requested by the four-year
31 institutions of higher education that were scored by the office of
32 financial management pursuant to chapter 43.88D RCW, including projects
33 that were previously scored but not funded. The prioritized list of
34 capital projects shall be based on the following priorities in the
35 following order:

36 (i) Office of financial management scores pursuant to chapter
37 43.88D RCW;

38 (ii) Preserving assets;

1 (iii) Degree production; and

2 (iv) Maximizing efficient use of instructional space.

3 (b) The office of financial management shall include all of the
4 capital projects requested by the four-year institutions of higher
5 education, except for the minor works projects, in the prioritized list
6 of capital projects provided to the legislature.

7 (c) The form of the prioritized list for capital projects requested
8 by the four-year institutions of higher education shall be provided as
9 one list, ranked in priority order with the highest priority project
10 ranked number "1" through the lowest priority project numbered last.
11 The ranking for the prioritized list of capital projects may not:

12 (i) Include subpriorities;

13 (ii) Be organized by category;

14 (iii) Assume any state bond or building account biennial funding
15 level to prioritize the list; or

16 (iv) Assume any specific share of projects by institution in the
17 priority list.

18 (5) Institutions and the state board for community and technical
19 colleges shall submit any supplemental capital budget requests and
20 revisions to the office of financial management by November 1st and to
21 the legislature by January 1st.

22 **Sec. 13.** RCW 28B.105.020 and 2011 1st sp.s. c 11 s 183 are each
23 amended to read as follows:

24 The definitions in this section apply throughout this chapter
25 unless the context clearly requires otherwise.

26 (1) "GET units" means tuition units under the advanced college
27 tuition payment program in chapter 28B.95 RCW.

28 (2) "Institution of higher education" has the same meaning as in
29 RCW 28B.92.030.

30 (3) "Office" means the office of student financial assistance.

31 (4) "Program administrator" means the private nonprofit corporation
32 that is registered under Title 24 RCW and qualified as a tax-exempt
33 entity under section 501(c)(3) of the federal internal revenue code,
34 that will serve as the private partner in the public-private
35 partnership under this chapter.

36 (5) "Qualified program" or "qualified major" means a mathematics,
37 science, or related degree program or major line of study offered by an

1 institution of higher education that is included on the list of
2 programs or majors selected by the ((board)) student achievement
3 council and the program administrator under RCW 28B.105.100.

4 **Sec. 14.** RCW 28B.105.030 and 2007 c 214 s 3 are each amended to
5 read as follows:

6 (1) An eligible student is a student who:

7 (a) Is eligible for resident tuition and fee rates as defined in
8 RCW 28B.15.012;

9 (b) Achieved level four on the mathematics or science portion of
10 the tenth grade ((Washington)) statewide student assessment ((of
11 ~~student learning~~)) or achieved a score in the math section of the SAT
12 or the math section of the ACT that is above the ninety-fifth
13 percentile;

14 (c) Has a family income at or below one hundred twenty-five percent
15 of the state median family income at the time the student applies for
16 a GET ready for math and science scholarship and for up to the two
17 previous years;

18 (d) Has declared an intention to complete a qualified program or
19 qualified major or has entered a qualified program or declared a
20 qualified major at an institution of higher education;

21 (e) Has declared an intention to work in a mathematics, science, or
22 related field in Washington for at least three years immediately
23 following completion of a bachelor's degree or higher degree.

24 (2) An eligible recipient is an eligible student who:

25 (a) Has been awarded a scholarship in accordance with the selection
26 criteria and process established by the ((board)) student achievement
27 council and the program administrator;

28 (b) Enrolls at an institution of higher education within one year
29 of graduating from high school;

30 (c) Maintains satisfactory academic progress, as defined by the
31 institution of higher education where the student is enrolled;

32 (d) Takes at least one college-level mathematics or science course
33 each term since enrolling in an institution of higher education; and

34 (e) Enters a qualified program or qualified major no later than the
35 end of the first term in which the student has junior level standing.

1 **Sec. 15.** RCW 28B.115.100 and 1991 c 332 s 23 are each amended to
2 read as follows:

3 In providing health care services the participant shall not
4 discriminate against a person on the basis of the person's ability to
5 pay for such services or because payment for the health care services
6 provided to such persons will be made under the insurance program
7 established under part A or B of Title XVIII of the federal social
8 security act or under a state plan for medical assistance including
9 Title XIX of the federal social security act or under the state medical
10 assistance program authorized by chapter 74.09 RCW and agrees to accept
11 assignment under section 18.42(b)(3)(B)(ii) of the federal social
12 security act for all services for which payment may be made under part
13 B of Title XVIII of the federal social security act and enters into an
14 appropriate agreement with the department of social and health services
15 for medical assistance under Title XIX of the federal social security
16 act to provide services to individuals entitled to medical assistance
17 under the plan and enters into appropriate agreements with the
18 department of social and health services for medical care services
19 under chapter 74.09 RCW. Participants found by the (~~board~~) student
20 achievement council or the department in violation of this section
21 shall be declared ineligible for receiving assistance under the program
22 authorized by this chapter.

23 **Sec. 16.** RCW 28B.115.150 and 2011 c 150 s 2 are each amended to
24 read as follows:

25 Any osteopathic or allopathic medical school receiving state funds
26 or authorized by the (~~higher education coordinating board~~) student
27 achievement council may not prohibit a hospital or physician from
28 entering into an agreement to provide student clinical rotations to
29 qualified osteopathic or allopathic medical students.

30 **Sec. 17.** RCW 28B.117.020 and 2012 c 163 s 3 are each amended to
31 read as follows:

32 The definitions in this section apply throughout this chapter
33 unless the context clearly requires otherwise.

34 (1) "Cost of attendance" means the cost associated with attending
35 a particular institution of higher education as determined by the
36 office, including but not limited to tuition, fees, room, board, books,

1 personal expenses, and transportation, plus the cost of reasonable
2 additional expenses incurred by an eligible student and approved by a
3 financial aid administrator at the student's school of attendance.

4 (2) "Financial need" means the difference between a student's cost
5 of attendance and the student's total family contribution as determined
6 by the method prescribed by the United States department of education.

7 (3) "Independent college or university" means a private, nonprofit
8 institution of higher education, open to residents of the state,
9 providing programs of education beyond the high school level leading to
10 at least the baccalaureate degree, and accredited by the Northwest
11 association of schools and colleges, and other institutions as may be
12 developed that are approved by the (~~board~~) student achievement
13 council as meeting equivalent standards as those institutions
14 accredited under this section.

15 (4) "Institution of higher education" means any institution
16 eligible to and participating in the state need grant program.

17 (5) "Office" means the office of student financial assistance.

18 (6) "Program" means the passport to college promise program created
19 in this chapter.

20 **Sec. 18.** RCW 28B.117.030 and 2011 1st sp.s. c 11 s 221 are each
21 amended to read as follows:

22 (1) The office shall design and, to the extent funds are
23 appropriated for this purpose, implement, a program of supplemental
24 scholarship and student assistance for students who have emancipated
25 from the state foster care system after having spent at least one year
26 in care.

27 (2) The office shall convene and consult with an advisory committee
28 to assist with program design and implementation. The committee shall
29 include but not be limited to former foster care youth and their
30 advocates; representatives from the state board for community and
31 technical colleges, and from public and private agencies that assist
32 current and former foster care recipients in their transition to
33 adulthood; and student support specialists from public and private
34 colleges and universities.

35 (3) To the extent that sufficient funds have been appropriated for
36 this purpose, a student is eligible for assistance under this section
37 if he or she:

1 (a) Emancipated from foster care on or after January 1, 2007, after
2 having spent at least one year in foster care subsequent to his or her
3 sixteenth birthday;

4 (b) Is a resident student, as defined in RCW 28B.15.012(2);

5 (c) Is enrolled with or will enroll on at least a half-time basis
6 with an institution of higher education in Washington state by the age
7 of twenty-one;

8 (d) Is making satisfactory academic progress toward the completion
9 of a degree or certificate program, if receiving supplemental
10 scholarship assistance;

11 (e) Has not earned a bachelor's or professional degree; and

12 (f) Is not pursuing a degree in theology.

13 (4) A passport to college scholarship under this section:

14 (a) Shall not exceed resident undergraduate tuition and fees at the
15 highest-priced public institution of higher education in the state; and

16 (b) Shall not exceed the student's financial need, less a
17 reasonable self-help amount defined by the (~~board~~) office, when
18 combined with all other public and private grant, scholarship, and
19 waiver assistance the student receives.

20 (5) An eligible student may receive a passport to college
21 scholarship under this section for a maximum of five years after the
22 student first enrolls with an institution of higher education or until
23 the student turns age twenty-six, whichever occurs first. If a student
24 turns age twenty-six during an academic year, and would otherwise be
25 eligible for a scholarship under this section, the student shall
26 continue to be eligible for a scholarship for the remainder of the
27 academic year.

28 (6) The office, in consultation with and with assistance from the
29 state board for community and technical colleges, shall perform an
30 annual analysis to verify that those institutions of higher education
31 at which students have received a scholarship under this section have
32 awarded the student all available need-based and merit-based grant and
33 scholarship aid for which the student qualifies.

34 (7) In designing and implementing the passport to college student
35 support program under this section, the office, in consultation with
36 and with assistance from the state board for community and technical
37 colleges, shall ensure that a participating college or university:

- 1 (a) Has a viable plan for identifying students eligible for
- 2 assistance under this section, for tracking and enhancing their
- 3 academic progress, for addressing their unique needs for assistance
- 4 during school vacations and academic interims, and for linking them to
- 5 appropriate sources of assistance in their transition to adulthood;
- 6 (b) Receives financial and other incentives for achieving
- 7 measurable progress in the recruitment, retention, and graduation of
- 8 eligible students.

9 **Sec. 19.** RCW 28B.118.010 and 2012 c 229 s 402 and 2012 c 163 s 8
10 are each reenacted and amended to read as follows:

11 The office of student financial assistance shall design the
12 Washington college bound scholarship program in accordance with this
13 section and in alignment with the state need grant program in chapter
14 28B.92 RCW unless otherwise provided in this section.

15 (1) "Eligible students" are those students who:

16 (a) Qualify for free or reduced-price lunches. If a student
17 qualifies in the seventh grade, the student remains eligible even if
18 the student does not receive free or reduced-price lunches thereafter;
19 or

20 (b) Are dependent pursuant to chapter 13.34 RCW and:

- 21 (i) In grade seven through twelve; or
- 22 (ii) Are between the ages of eighteen and twenty-one and have not
- 23 graduated from high school.

24 (2) Eligible students shall be notified of their eligibility for
25 the Washington college bound scholarship program beginning in their
26 seventh grade year. Students shall also be notified of the
27 requirements for award of the scholarship.

28 (3)(a) To be eligible for a Washington college bound scholarship,
29 a student eligible under subsection (1)(a) of this section must sign a
30 pledge during seventh or eighth grade that includes a commitment to
31 graduate from high school with at least a C average and with no felony
32 convictions. The pledge must be witnessed by a parent or guardian and
33 forwarded to the office of student financial assistance by mail or
34 electronically, as indicated on the pledge form.

35 (b) A student eligible under subsection (1)(b) of this section
36 shall be automatically enrolled, with no action necessary by the
37 student or the student's family, and the enrollment form must be

1 forwarded by the department of social and health services to the
2 (~~higher education coordinating board or its successor~~) student
3 achievement council by mail or electronically, as indicated on the
4 form.

5 (4)(a) Scholarships shall be awarded to eligible students
6 graduating from public high schools, approved private high schools
7 under chapter 28A.195 RCW, or who received home-based instruction under
8 chapter 28A.200 RCW.

9 (b) To receive the Washington college bound scholarship, a student
10 must graduate with at least a "C" average from a public high school or
11 an approved private high school under chapter 28A.195 RCW in Washington
12 or have received home-based instruction under chapter 28A.200 RCW, must
13 have no felony convictions, and must be a resident student as defined
14 in RCW 28B.15.012(2) (a) through (d).

15 (5) A student's family income will be assessed upon graduation
16 before awarding the scholarship.

17 (6) If at graduation from high school the student's family income
18 does not exceed sixty-five percent of the state median family income,
19 scholarship award amounts shall be as provided in this section.

20 (a) For students attending two or four-year institutions of higher
21 education as defined in RCW 28B.10.016, the value of the award shall be
22 (i) the difference between the student's tuition and required fees,
23 less the value of any state-funded grant, scholarship, or waiver
24 assistance the student receives; (ii) plus five hundred dollars for
25 books and materials.

26 (b) For students attending private four-year institutions of higher
27 education in Washington, the award amount shall be the representative
28 average of awards granted to students in public research universities
29 in Washington.

30 (c) For students attending private vocational schools in
31 Washington, the award amount shall be the representative average of
32 awards granted to students in public community and technical colleges
33 in Washington.

34 (7) Recipients may receive no more than four full-time years' worth
35 of scholarship awards.

36 (8) Institutions of higher education shall award the student all
37 need-based and merit-based financial aid for which the student would

1 otherwise qualify. The Washington college bound scholarship is
2 intended to replace unmet need, loans, and, at the student's option,
3 work-study award before any other grants or scholarships are reduced.

4 (9) The first scholarships shall be awarded to students graduating
5 in 2012.

6 (10) The state of Washington retains legal ownership of tuition
7 units awarded as scholarships under this chapter until the tuition
8 units are redeemed. These tuition units shall remain separately held
9 from any tuition units owned under chapter 28B.95 RCW by a Washington
10 college bound scholarship recipient.

11 (11) The scholarship award must be used within five years of
12 receipt. Any unused scholarship tuition units revert to the Washington
13 college bound scholarship account.

14 (12) Should the recipient terminate his or her enrollment for any
15 reason during the academic year, the unused portion of the scholarship
16 tuition units shall revert to the Washington college bound scholarship
17 account.

18 **Sec. 20.** RCW 28B.118.040 and 2011 1st sp.s. c 11 s 228 are each
19 amended to read as follows:

20 The office of student financial assistance shall:

21 (1) With the assistance of the office of the superintendent of
22 public instruction, implement and administer the Washington college
23 bound scholarship program;

24 (2) Develop and distribute, to all schools with students enrolled
25 in grade seven or eight, a pledge form that can be completed and
26 returned electronically or by mail by the student or the school to the
27 office of student financial assistance;

28 (3) Develop and implement a student application, selection, and
29 notification process for scholarships;

30 (4) Track scholarship recipients to ensure continued eligibility
31 and determine student compliance for awarding of scholarships;

32 (5) Subject to appropriation, deposit funds into the state
33 educational trust fund;

34 (6) Purchase tuition units under the advanced college tuition
35 payment program in chapter 28B.95 RCW to be owned and held in trust by
36 the (~~board~~) student achievement council, for the purpose of
37 scholarship awards as provided for in this section; and

1 (7) Distribute scholarship funds, in the form of tuition units
2 purchased under the advanced college tuition payment program in chapter
3 28B.95 RCW or through direct payments from the state educational trust
4 fund, to institutions of higher education on behalf of scholarship
5 recipients identified by the office, as long as recipients maintain
6 satisfactory academic progress.

7 **Sec. 21.** RCW 28B.145.010 and 2011 1st sp.s. c 13 s 2 are each
8 amended to read as follows:

9 The definitions in this section apply throughout this chapter
10 unless the context clearly requires otherwise.

11 (1) "~~((Board))~~ Council" means the ~~((higher education coordinating
12 board or its successor))~~ student achievement council.

13 (2) "Eligible education programs" means high employer demand and
14 other programs of study as determined by the opportunity scholarship
15 board.

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

21 (4) "Eligible student" means a resident student who received
22 ~~((their))~~ his or her high school diploma or GED in Washington and who:

23 (a)(i) Has been accepted at a four-year institution of higher
24 education into an eligible education program leading to a baccalaureate
25 degree; or

26 (ii) Will attend a two-year institution of higher education and
27 intends to transfer to an eligible education program at a four-year
28 institution of higher education;

29 (b) Declares an intention to obtain a baccalaureate degree; and

30 (c) Has a family income at or below one hundred twenty-five percent
31 of the state median family income at the time the student applies for
32 an opportunity scholarship.

33 (5) "High employer demand program of study" has the same meaning as
34 provided in RCW 28B.50.030.

35 (6) "Participant" means an eligible student who has received a
36 scholarship under the opportunity scholarship program.

1 (7) "Program administrator" means a college scholarship
2 organization that is a private nonprofit corporation registered under
3 Title 24 RCW and qualified as a tax-exempt entity under section
4 501(c)(3) of the federal internal revenue code, with expertise in
5 managing scholarships and college advising.

6 (8) "Resident student" has the same meaning as provided in RCW
7 28B.15.012.

8 **Sec. 22.** RCW 28B.145.030 and 2011 1st sp.s. c 13 s 4 are each
9 amended to read as follows:

10 (1) The program administrator, under contract with the ((~~board~~)
11 council), shall staff the opportunity scholarship board and shall have
12 the duties and responsibilities provided in this chapter, including but
13 not limited to publicizing the program, selecting participants for the
14 opportunity scholarship award, distributing opportunity scholarship
15 awards, and achieving the maximum possible rate of return on investment
16 of the accounts in subsection (2) of this section, while ensuring
17 transparency in the investment decisions and processes. Duties,
18 exercised jointly with the opportunity scholarship board, include
19 soliciting funds and setting annual fund-raising goals. The program
20 administrator shall be paid an administrative fee as determined by the
21 opportunity scholarship board.

22 (2) With respect to the opportunity scholarship program, the
23 program administrator shall:

24 (a) Establish and manage two separate accounts into which to
25 receive grants and contributions from private sources as well as state
26 matching funds, and from which to disburse scholarship funds to
27 participants;

28 (b) Solicit and accept grants and contributions from private
29 sources, via direct payment, pledge agreement, or escrow account, of
30 private sources for deposit into one or both of the two accounts
31 created in this subsection (2)(b) in accordance with this subsection
32 (2)(b):

33 (i) The "scholarship account," whose principal may be invaded, and
34 from which scholarships must be disbursed beginning no later than
35 December 1, 2011, if, by that date, state matching funds in the amount
36 of five million dollars or more have been received. Thereafter,

1 scholarships shall be disbursed on an annual basis beginning no later
2 than May 1, 2012, and every May 1st thereafter;

3 (ii) The "endowment account," from which scholarship moneys may be
4 disbursed from earnings only in years when:

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

7 (B) The state appropriations for the state need grant under RCW
8 28B.92.010 meet or exceed state appropriations for the state need grant
9 made in the 2011-2013 biennium, adjusted for inflation, and eligibility
10 for state need grant recipients is at least seventy percent of state
11 median family income; and

12 (C) The state has demonstrated progress toward the goal of total
13 per-student funding levels, from state appropriations plus tuition and
14 fees, of at least the sixtieth percentile of total per-student funding
15 at similar public institutions of higher education in the global
16 challenge states, as defined, measured, and reported in RCW 28B.15.068.
17 In any year in which the office of financial management reports that
18 the state has not made progress toward this goal, no new scholarships
19 may be awarded. In any year in which the office of financial
20 management reports that the percentile of total per-student funding is
21 less than the sixtieth percentile and at least five percent less than
22 the prior year, pledges of future grants and contributions may, at the
23 request of the donor, be released and grants and contributions already
24 received refunded to the extent that opportunity scholarship awards
25 already made can be fulfilled from the funds remaining in the endowment
26 account; and

27 (iii) An amount equal to at least fifty percent of all grants and
28 contributions must be deposited into the scholarship account until such
29 time as twenty million dollars have been deposited into the account,
30 after which time the private donors may designate whether their
31 contributions must be deposited to the scholarship or the endowment
32 account. The opportunity scholarship board and the program
33 administrator must work to maximize private sector contributions to
34 both the scholarship account and the endowment account, to maintain a
35 robust scholarship program while simultaneously building the endowment,
36 and to determine the division between the two accounts in the case of
37 undesignated grants and contributions, taking into account the need for
38 a long-term funding mechanism and the short-term needs of families and

1 students in Washington. The first five million dollars in state match,
2 as provided in RCW 28B.145.040, shall be deposited into the scholarship
3 account and thereafter the state match shall be deposited into the two
4 accounts in equal proportion to the private funds deposited in each
5 account;

6 (c) Provide proof of receipt of grants and contributions from
7 private sources to the ((~~board~~)) council, identifying the amounts
8 received by name of private source and date, and whether the amounts
9 received were deposited into the scholarship or the endowment account;

10 (d) In consultation with the ((~~higher education coordinating~~
11 ~~board~~)) council and the state board for community and technical
12 colleges, make an assessment of the reasonable annual eligible expenses
13 associated with eligible education programs identified by the
14 opportunity scholarship board;

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

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

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

29 (h) Distribute scholarship funds to selected participants. Once
30 awarded, and to the extent funds are available for distribution, an
31 opportunity scholarship shall be automatically renewed until the
32 participant withdraws from or is no longer attending the program,
33 completes the program, or has taken the credit or clock hour equivalent
34 of one hundred twenty-five percent of the published length of time of
35 the participant's program, whichever occurs first, and as long as the
36 participant annually submits documentation of filing both a free
37 application for federal student aid and for available federal education

1 tax credits, including but not limited to the American opportunity tax
2 credit; and

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

6 (3) With respect to the opportunity expansion program, the program
7 administrator shall:

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

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

13 **Sec. 23.** RCW 28B.145.050 and 2011 1st sp.s. c 13 s 6 are each
14 amended to read as follows:

15 (1) The opportunity scholarship match transfer account is created
16 in the custody of the state treasurer as a nonappropriated account to
17 be used solely and exclusively for the opportunity scholarship program
18 created in RCW 28B.145.040. The purpose of the account is to provide
19 matching funds for the opportunity scholarship program.

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

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

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

33 **Sec. 24.** RCW 28B.145.060 and 2011 1st sp.s. c 13 s 7 are each
34 amended to read as follows:

35 (1) The opportunity expansion program is established.

1 (2) The opportunity scholarship board shall select institutions of
2 higher education to receive opportunity expansion awards. In so doing,
3 the opportunity scholarship board must:

4 (a) Solicit, receive, and evaluate proposals from institutions of
5 higher education that are designed to directly increase the number of
6 baccalaureate degrees produced in high employer demand and other
7 programs of study, and that include annual numerical targets for the
8 number of such degrees, with a strong emphasis on serving students who
9 received their high school diploma or GED in Washington or are adult
10 Washington residents who are returning to school to gain a
11 baccalaureate degree;

12 (b) Develop criteria for evaluating proposals and awarding funds to
13 the proposals deemed most likely to increase the number of
14 baccalaureate degrees and degrees produced in high employer demand and
15 other programs of study;

16 (c) Give priority to proposals that include a partnership between
17 public and private partnership entities that leverage additional
18 private funds;

19 (d) Give priority to proposals that are innovative, efficient, and
20 cost-effective, given the nature and cost of the particular program of
21 study;

22 (e) Consult and operate in consultation with existing higher
23 education stakeholders, including but not limited to: Faculty, labor,
24 student organizations, and relevant higher education agencies; and

25 (f) Determine which proposals to improve and accelerate the
26 production of baccalaureate degrees in high employer demand and other
27 programs of study will receive opportunity expansion awards for the
28 following state fiscal year, notify the state treasurer, and announce
29 the awards.

30 (3) The state treasurer, at the direction of the opportunity
31 scholarship board, must distribute the funds that have been awarded to
32 the institutions of higher education from the opportunity expansion
33 account.

34 (4) Institutions of higher education receiving awards under this
35 section may not supplant existing general fund state revenues with
36 opportunity expansion awards.

37 (5) Annually, the office of financial management shall report to
38 the opportunity scholarship board, the governor, and the relevant

1 committees of the legislature regarding the percentage of Washington
2 households with incomes in the middle-income bracket or higher. For
3 purposes of this section, "middle-income bracket" means household
4 incomes between two hundred and five hundred percent of the 2010
5 federal poverty level, as determined by the United States department of
6 health and human services for a family of four, adjusted annually for
7 inflation.

8 (6) Annually, the (~~higher education coordinating board~~) council
9 must report to the opportunity scholarship board, the governor, and the
10 relevant committees of the legislature regarding the increase in the
11 number of degrees in high employer demand and other programs of study
12 awarded by institutions of higher education over the average of the
13 preceding ten academic years.

14 (7) In its comprehensive plan, the workforce training and education
15 coordinating board shall include specific strategies to reach the goal
16 of increasing the percentage of Washington households living in the
17 middle-income bracket or higher, as calculated by the office of
18 financial management and developed by the agency or education
19 institution that will lead the strategy.

20 **Sec. 25.** RCW 28B.145.070 and 2011 1st sp.s. c 13 s 8 are each
21 amended to read as follows:

22 (1) By December 1, 2012, and annually each December 1st thereafter,
23 the opportunity scholarship board, together with the program
24 administrator, shall report to the (~~board~~) council, the governor, and
25 the appropriate committees of the legislature regarding the opportunity
26 scholarship and opportunity expansion programs, including but not
27 limited to:

28 (a) Which education programs the opportunity scholarship board
29 determined were eligible for purposes of the opportunity scholarship;

30 (b) The number of applicants for the opportunity scholarship,
31 disaggregated, to the extent possible, by race, ethnicity, gender,
32 county of origin, age, and median family income;

33 (c) The number of participants in the opportunity scholarship
34 program, disaggregated, to the extent possible, by race, ethnicity,
35 gender, county of origin, age, and median family income;

36 (d) The number and amount of the scholarships actually awarded, and

1 whether the scholarships were paid from the scholarship account or the
2 endowment account;

3 (e) The institutions and eligible education programs in which
4 opportunity scholarship participants enrolled, together with data
5 regarding participants' completion and graduation;

6 (f) The total amount of private contributions and state match
7 moneys received for the opportunity scholarship program, how the funds
8 were distributed between the scholarship and endowment accounts, the
9 interest or other earnings on the accounts, and the amount of any
10 administrative fee paid to the program administrator; and

11 (g) Identification of the programs the opportunity scholarship
12 board selected to receive opportunity expansion awards and the amount
13 of such awards.

14 (2) In the next succeeding legislative session following receipt of
15 a report required under subsection (1) of this section, the appropriate
16 committees of the legislature shall review the report and consider
17 whether any legislative action is necessary with respect to either the
18 opportunity scholarship program or the opportunity expansion program,
19 including but not limited to consideration of whether any legislative
20 action is necessary with respect to the nature and level of focus on
21 high employer demand fields and the number and amount of scholarships.

22 **Sec. 26.** RCW 43.88.230 and 2012 c 229 s 205 and 2012 c 113 s 7 are
23 each reenacted and amended to read as follows:

24 For the purposes of this chapter, the statute law committee, the
25 joint legislative audit and review committee, the joint transportation
26 committee, the legislative evaluation and accountability program
27 committee, the office of legislative support services, (~~the joint~~
28 ~~higher education committee,~~) the office of state actuary, and all
29 legislative standing committees of both houses shall be deemed a part
30 of the legislative branch of state government.

31 **Sec. 27.** RCW 43.330.310 and 2012 c 229 s 590 and 2012 c 198 s 12
32 are each reenacted to read as follows:

33 (1) The legislature establishes a comprehensive green economy jobs
34 growth initiative based on the goal of, by 2020, increasing the number
35 of green economy jobs to twenty-five thousand from the eight thousand
36 four hundred green economy jobs the state had in 2004.

1 (2) The department, in consultation with the employment security
2 department, the state workforce training and education coordinating
3 board, and the state board for community and technical colleges, shall
4 develop a defined list of terms, consistent with current workforce and
5 economic development terms, associated with green economy industries
6 and jobs.

7 (3)(a) The employment security department, in consultation with the
8 department, the state workforce training and education coordinating
9 board, the state board for community and technical colleges, Washington
10 State University small business development center, and the Washington
11 State University extension energy program, shall conduct labor market
12 research to analyze the current labor market and projected job growth
13 in the green economy, the current and projected recruitment and skill
14 requirement of green economy industry employers, the wage and benefits
15 ranges of jobs within green economy industries, and the education and
16 training requirements of entry-level and incumbent workers in those
17 industries.

18 (i) The employment security department shall conduct an analysis of
19 occupations in the forest products industry to: (A) Determine key
20 growth factors and employment projections in the industry; and (B)
21 define the education and skill standards required for current and
22 emerging green occupations in the industry.

23 (ii) The term "forest products industry" must be given a broad
24 interpretation when implementing (a)(i) of this subsection and
25 includes, but is not limited to, businesses that grow, manage, harvest,
26 transport, and process forest, wood, and paper products.

27 (b) The University of Washington business and economic development
28 center shall: Analyze the current opportunities for and participation
29 in the green economy by minority and women-owned business enterprises
30 in Washington; identify existing barriers to their successful
31 participation in the green economy; and develop strategies with
32 specific policy recommendations to improve their successful
33 participation in the green economy. The research may be informed by
34 the research of the Puget Sound regional council prosperity
35 partnership, as well as other entities. The University of Washington
36 business and economic development center shall report to the
37 appropriate committees of the house of representatives and the senate
38 on their research, analysis, and recommendations by December 1, 2008.

1 (4) Based on the findings from subsection (3) of this section, the
2 employment security department, in consultation with the department and
3 taking into account the requirements and goals of chapter 14, Laws of
4 2008 and other state clean energy and energy efficiency policies, shall
5 propose which industries will be considered high-demand green
6 industries, based on current and projected job creation and their
7 strategic importance to the development of the state's green economy.
8 The employment security department and the department shall take into
9 account which jobs within green economy industries will be considered
10 high-wage occupations and occupations that are part of career pathways
11 to the same, based on family-sustaining wage and benefits ranges.
12 These designations, and the results of the employment security
13 department's broader labor market research, shall inform the planning
14 and strategic direction of the department, the state workforce training
15 and education coordinating board, and the state board for community and
16 technical colleges.

17 (5) The department shall identify emerging technologies and
18 innovations that are likely to contribute to advancements in the green
19 economy, including the activities in designated innovation partnership
20 zones established in RCW 43.330.270.

21 (6) The department, consistent with the priorities established by
22 the state economic development commission, shall:

23 (a) Develop targeting criteria for existing investments, and make
24 recommendations for new or expanded financial incentives and
25 comprehensive strategies, to recruit, retain, and expand green economy
26 industries and small businesses; and

27 (b) Make recommendations for new or expanded financial incentives
28 and comprehensive strategies to stimulate research and development of
29 green technology and innovation, including designating innovation
30 partnership zones linked to the green economy.

31 (7) For the purposes of this section, "target populations" means
32 (a) entry-level or incumbent workers in high-demand green industries
33 who are in, or are preparing for, high-wage occupations; (b) dislocated
34 workers in declining industries who may be retrained for high-wage
35 occupations in high-demand green industries; (c) dislocated
36 agriculture, timber, or energy sector workers who may be retrained for
37 high-wage occupations in high-demand green industries; (d) eligible

1 veterans or national guard members; (e) disadvantaged populations; or
2 (f) anyone eligible to participate in the state opportunity grant
3 program under RCW 28B.50.271.

4 (8) The legislature directs the state workforce training and
5 education coordinating board to create and pilot green industry skill
6 panels. These panels shall consist of business representatives from:
7 Green industry sectors, including but not limited to forest product
8 companies, companies engaged in energy efficiency and renewable energy
9 production, companies engaged in pollution prevention, reduction, and
10 mitigation, and companies engaged in green building work and green
11 transportation; labor unions representing workers in those industries
12 or labor affiliates administering state-approved, joint apprenticeship
13 programs or labor-management partnership programs that train workers
14 for these industries; state and local veterans agencies; employer
15 associations; educational institutions; and local workforce development
16 councils within the region that the panels propose to operate; and
17 other key stakeholders as determined by the applicant. Any of these
18 stakeholder organizations are eligible to receive grants under this
19 section and serve as the intermediary that convenes and leads the
20 panel. Panel applicants must provide labor market and industry
21 analysis that demonstrates high demand, or demand of strategic
22 importance to the development of the state's clean energy economy as
23 identified in this section, for high-wage occupations, or occupations
24 that are part of career pathways to the same, within the relevant
25 industry sector. The panel shall:

26 (a) Conduct labor market and industry analyses, in consultation
27 with the employment security department, and drawing on the findings of
28 its research when available;

29 (b) Plan strategies to meet the recruitment and training needs of
30 the industry and small businesses; and

31 (c) Leverage and align other public and private funding sources.

32 **Sec. 28.** RCW 44.04.260 and 2012 c 229 s 204 and 2012 c 113 s 6 are
33 each reenacted and amended to read as follows:

34 The joint legislative audit and review committee, the joint
35 transportation committee, the select committee on pension policy, the
36 legislative evaluation and accountability program committee, the office
37 of legislative support services, (~~the joint higher education~~

1 ~~committee,~~) and the joint legislative systems committee are subject to
2 such operational policies, procedures, and oversight as are deemed
3 necessary by the facilities and operations committee of the senate and
4 the executive rules committee of the house of representatives to ensure
5 operational adequacy of the agencies of the legislative branch. As
6 used in this section, "operational policies, procedures, and oversight"
7 includes the development process of biennial budgets, contracting
8 procedures, personnel policies, and compensation plans, selection of a
9 chief administrator, facilities, and expenditures. This section does
10 not grant oversight authority to the facilities and operations
11 committee of the senate over any standing committee of the house of
12 representatives or oversight authority to the executive rules committee
13 of the house of representatives over any standing committee of the
14 senate.

15 NEW SECTION. **Sec. 29.** The following acts or parts of acts are
16 each repealed:

17 (1) RCW 44.04.360 (Joint higher education committee--Purpose) and
18 2012 c 229 s 201;

19 (2) RCW 44.04.362 (Joint higher education committee--Membership)
20 and 2012 c 229 s 202; and

21 (3) RCW 44.04.364 (Joint higher education committee--Meetings--
22 Reimbursement--Rules--Staffing) and 2012 c 229 s 203.

23 NEW SECTION. **Sec. 30.** RCW 28B.76.335 and 28B.76.340 are each
24 recodified as sections in chapter 28B.77 RCW.

25 NEW SECTION. **Sec. 31.** Section 5 of this act expires July 1, 2017.

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