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THIRD SUBSTITUTE HOUSE BILL 1512

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State of Washington

65th Legislature

2018 Regular Session

**By** House Appropriations (originally sponsored by Representatives Bergquist, Stambaugh, McBride, Gregerson, Slatter, Frame, Macri, Peterson, Hudgins, Pollet, Orwall, Doglio, Appleton, Fitzgibbon, Goodman, Farrell, and Stanford)

1 AN ACT Relating to expanding college bound scholarship  
2 eligibility; amending RCW 28B.118.010, 28B.118.040, 28B.118.090, and  
3 28B.92.060; and creating a new section.

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

5 **Sec. 1.** RCW 28B.118.010 and 2017 3rd sp.s. c 20 s 11 are each  
6 amended to read as follows:

7 The office of student financial assistance shall design the  
8 Washington college bound scholarship program in accordance with this  
9 section and in alignment with the state need grant program in chapter  
10 28B.92 RCW unless otherwise provided in this section.

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

12 (a) Qualify for free or reduced-price lunches.

13 (i) If a student qualifies in the seventh or eighth grade, the  
14 student remains eligible even if the student does not receive free or  
15 reduced-price lunches thereafter;

16 (ii) Beginning in the 2018-19 academic year, if a student  
17 qualifies for free or reduced-price lunches in the ninth grade and  
18 was previously ineligible during the seventh or eighth grade while he  
19 or she was a student in Washington, the student is eligible for the  
20 college bound scholarship program; or

1 (iii) Beginning in the 2018-19 academic year, if a student  
2 qualifies for free or reduced-price lunches in the tenth grade and  
3 was previously ineligible during the seventh or eighth grade while he  
4 or she was a student in Washington, the student is eligible for the  
5 college bound scholarship program; or

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

7 (i) In grade seven through twelve; or

8 (ii) Are between the ages of eighteen and twenty-one and have not  
9 graduated from high school; or

10 (c) Were dependent pursuant to chapter 13.34 RCW and were adopted  
11 between the ages of fourteen and eighteen with a negotiated adoption  
12 agreement that includes continued eligibility for the Washington  
13 state college bound scholarship program pursuant to RCW 74.13A.025.

14 (2) Eligible students shall be notified of their eligibility for  
15 the Washington college bound scholarship program (~~(beginning)~~) in  
16 their seventh, eighth, ninth, and tenth grade years. Students shall  
17 also be notified of the requirements for award of the scholarship.

18 (3)(a) To be eligible for a Washington college bound scholarship,  
19 a student eligible under subsection (1)(a)(i) of this section must  
20 sign a pledge during seventh or eighth grade (~~(that includes)~~) or a  
21 student eligible under subsection (1)(a)(ii) or (iii) of this section  
22 must sign a pledge during ninth or tenth grade. The pledge must  
23 include a commitment to graduate from high school with at least a C  
24 average and with no felony convictions. The pledge must be witnessed  
25 by a parent or guardian and forwarded to the office of student  
26 financial assistance by mail or electronically, as indicated on the  
27 pledge form.

28 (b) A student eligible under subsection (1)(b) of this section  
29 shall be automatically enrolled, with no action necessary by the  
30 student or the student's family, and the enrollment form must be  
31 forwarded by the department of social and health services to the  
32 (~~(higher education coordinating board or its successor)~~) student  
33 achievement council by mail or electronically, as indicated on the  
34 form.

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

39 (b)(i) To receive the Washington college bound scholarship, a  
40 student must graduate with at least a "C" average from a public high

1 school or an approved private high school under chapter 28A.195 RCW  
2 in Washington or have received home-based instruction under chapter  
3 28A.200 RCW, must have no felony convictions, and must be a resident  
4 student as defined in RCW 28B.15.012(2) (a) through (d).

5 (ii) For eligible children as defined in subsection (1)(b) and  
6 (c) of this section, to receive the Washington college bound  
7 scholarship, a student must have received a high school equivalency  
8 certificate as provided in RCW 28B.50.536 or have graduated with at  
9 least a "C" average from a public high school or an approved private  
10 high school under chapter 28A.195 RCW in Washington or have received  
11 home-based instruction under chapter 28A.200 RCW, must have no felony  
12 convictions, and must be a resident student as defined in RCW  
13 28B.15.012(2) (a) through (d).

14 For a student who does not meet the "C" average requirement, and  
15 who completes fewer than two quarters in the running start program,  
16 under chapter 28A.600 RCW, the student's first quarter of running  
17 start course grades must be excluded from the student's overall grade  
18 point average for purposes of determining their eligibility to  
19 receive the scholarship.

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

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

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

31 (b) For students attending private four-year institutions of  
32 higher education in Washington, the award amount shall be the  
33 representative average of awards granted to students in public  
34 research universities in Washington or the representative average of  
35 awards granted to students in public research universities in  
36 Washington in the 2014-15 academic year, whichever is greater.

37 (c) For students attending private vocational schools in  
38 Washington, the award amount shall be the representative average of  
39 awards granted to students in public community and technical colleges  
40 in Washington or the representative average of awards granted to

1 students in public community and technical colleges in Washington in  
2 the 2014-15 academic year, whichever is greater.

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

5 (8) Institutions of higher education shall award the student all  
6 need-based and merit-based financial aid for which the student would  
7 otherwise qualify. The Washington college bound scholarship is  
8 intended to replace unmet need, loans, and, at the student's option,  
9 work-study award before any other grants or scholarships are reduced.

10 (9) The first scholarships shall be awarded to students  
11 graduating in 2012.

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

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

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

24 **Sec. 2.** RCW 28B.118.040 and 2015 c 244 s 4 are each amended to  
25 read as follows:

26 The office of student financial assistance shall:

27 (1) With the assistance of the office of the superintendent of  
28 public instruction, implement and administer the Washington college  
29 bound scholarship program;

30 (2) Develop and distribute, to all schools with students enrolled  
31 in grades seven (~~or eight~~) through ten, a pledge form that can be  
32 completed and returned electronically or by mail by the student or  
33 the school to the office of student financial assistance;

34 (3) Develop and implement a student application, selection, and  
35 notification process for scholarships, which includes working with  
36 other state agencies, law enforcement, or the court system to verify  
37 that eligible students do not have felony convictions;

38 (4) Annually in March, with the assistance of the office of the  
39 superintendent of public instruction, distribute to tenth grade

1 college bound scholarship students and their families: (a)  
2 Notification that, to qualify for the scholarship, a student's family  
3 income may not exceed sixty-five percent of the state median family  
4 income at graduation from high school; (b) the current year's value  
5 for sixty-five percent of the state median family income; and (c) a  
6 statement that a student should consult their school counselor if  
7 their family makes, or is projected to make, more than this value  
8 before the student graduates;

9 (5) Develop comprehensive social media outreach with grade-level  
10 specific information designed to keep students on track to graduate  
11 and leverage current tools such as the high school and beyond plan  
12 required by the state board of education and the ready set grad web  
13 site maintained by the student achievement council;

14 (6) Track scholarship recipients to ensure continued eligibility  
15 and determine student compliance for awarding of scholarships;

16 (7) Within existing resources, collaborate with college access  
17 providers and K-12, postsecondary, and youth-serving organizations to  
18 map and coordinate mentoring and advising resources across the state;

19 (8) Subject to appropriation, deposit funds into the state  
20 educational trust fund;

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

25 (10) Distribute scholarship funds, in the form of tuition units  
26 purchased under the advanced college tuition payment program in  
27 chapter 28B.95 RCW or through direct payments from the state  
28 educational trust fund, to institutions of higher education on behalf  
29 of scholarship recipients identified by the office, as long as  
30 recipients maintain satisfactory academic progress.

31 **Sec. 3.** RCW 28B.118.090 and 2015 c 244 s 6 are each amended to  
32 read as follows:

33 (1) Beginning January 1, 2015, and at a minimum every year  
34 thereafter, the student achievement council and all institutions of  
35 higher education eligible to participate in the college bound  
36 scholarship program shall ensure data needed to analyze and evaluate  
37 the effectiveness of the college bound scholarship program is  
38 promptly transmitted to the education data center created in RCW

1 43.41.400 so that it is available and easily accessible. The data to  
2 be reported should include but not be limited to:

3 (a) The number of students who sign up for the college bound  
4 scholarship program in seventh or eighth grade, or in ninth or tenth  
5 grade;

6 (b) The number of college bound scholarship students who graduate  
7 from high school;

8 (c) The number of college bound scholarship students who enroll  
9 in postsecondary education;

10 (d) Persistence and completion rates of college bound scholarship  
11 recipients disaggregated by institutions of higher education;

12 (e) College bound scholarship recipient grade point averages;

13 (f) The number of college bound scholarship recipients who did  
14 not remain eligible and reasons for ineligibility;

15 (g) College bound scholarship program costs; and

16 (h) Impacts to the state need grant program.

17 (2) Beginning May 12, 2015, and at a minimum every December 1st  
18 thereafter, the student achievement council shall submit student unit  
19 record data for the college bound scholarship program applicants and  
20 recipients to the education data center.

21 **Sec. 4.** RCW 28B.92.060 and 2012 c 229 s 558 are each amended to  
22 read as follows:

23 In awarding need grants, the office shall proceed substantially  
24 as follows: PROVIDED, That nothing contained herein shall be  
25 construed to prevent the office, in the exercise of its sound  
26 discretion, from following another procedure when the best interest  
27 of the program so dictates:

28 (1) The office shall annually select the financial aid award  
29 recipients from among Washington residents applying for student  
30 financial aid who have been ranked according to:

31 (a) Financial need as determined by the amount of the family  
32 contribution; (~~and~~)

33 (b) College bound scholarship eligibility, in which students who  
34 are eligible for the college bound scholarship and whose family  
35 incomes are in the zero to seventy percent median family income range  
36 shall be prioritized and awarded the maximum state need grant for  
37 which they are eligible under state policies and may not be denied  
38 maximum state need grant funding due to institutional policies or  
39 delayed awarding of college bound scholarship students; and

1       (c) Other considerations, such as whether the student is a former  
2 foster youth, or is a placebound student who has completed an  
3 associate of arts or associate of science degree or its equivalent.

4       (2) The financial need of the highest ranked students shall be  
5 met by grants depending upon the evaluation of financial need until  
6 the total allocation has been disbursed. Funds from grants which are  
7 declined, forfeited or otherwise unused shall be reawarded until  
8 disbursed, except that eligible former foster youth shall be assured  
9 receipt of a grant. The office, in consultation with four-year  
10 institutions of higher education, the council, and the state board  
11 for community and technical colleges, shall develop award criteria  
12 and methods of disbursement based on level of need, and not solely  
13 rely on a first-come, first-served basis.

14       (3) A student shall be eligible to receive a state need grant for  
15 up to five years, or the credit or clock hour equivalent of five  
16 years, or up to one hundred twenty-five percent of the published  
17 length of time of the student's program. A student may not start a  
18 new associate degree program as a state need grant recipient until at  
19 least five years have elapsed since earning an associate degree as a  
20 need grant recipient, except that a student may earn two associate  
21 degrees concurrently. Qualifications for renewal will include  
22 maintaining satisfactory academic progress toward completion of an  
23 eligible program as determined by the office. Should the recipient  
24 terminate his or her enrollment for any reason during the academic  
25 year, the unused portion of the grant shall be returned to the state  
26 educational grant fund by the institution according to the  
27 institution's own policy for issuing refunds, except as provided in  
28 RCW 28B.92.070.

29       (4) In computing financial need, the office shall determine a  
30 maximum student expense budget allowance, not to exceed an amount  
31 equal to the total maximum student expense budget at the public  
32 institutions plus the current average state appropriation per student  
33 for operating expense in the public institutions. Any child support  
34 payments received by students who are parents attending less than  
35 half-time shall not be used in computing financial need.

36       (5)(a) A student who is enrolled in three to six credit-bearing  
37 quarter credits, or the equivalent semester credits, may receive a  
38 grant for up to one academic year before beginning a program that  
39 leads to a degree or certificate.

1 (b) An eligible student enrolled on a less-than-full-time basis  
2 shall receive a prorated portion of his or her state need grant for  
3 any academic period in which he or she is enrolled on a less-than-  
4 full-time basis, as long as funds are available.

5 (c) An institution of higher education may award a state need  
6 grant to an eligible student enrolled in three to six credit-bearing  
7 quarter credits, or the semester equivalent, on a provisional basis  
8 if:

9 (i) The student has not previously received a state need grant  
10 from that institution;

11 (ii) The student completes the required free application for  
12 federal student aid;

13 (iii) The institution has reviewed the student's financial  
14 condition, and the financial condition of the student's family if the  
15 student is a dependent student, and has determined that the student  
16 is likely eligible for a state need grant; and

17 (iv) The student has signed a document attesting to the fact that  
18 the financial information provided on the free application for  
19 federal student aid and any additional financial information provided  
20 directly to the institution is accurate and complete, and that the  
21 student agrees to repay the institution for the grant amount if the  
22 student submitted false or incomplete information.

23 (6) As used in this section, "former foster youth" means a person  
24 who is at least eighteen years of age, but not more than twenty-four  
25 years of age, who was a dependent of the department of social and  
26 health services at the time he or she attained the age of eighteen.

27 NEW SECTION. **Sec. 5.** If specific funding for the purposes of  
28 this act, referencing this act by bill or chapter number, is not  
29 provided by June 30, 2018, in the omnibus appropriations act, this  
30 act is null and void.

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