## SENATE BILL 5182

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State of Washington 62nd Legislature 2011 Regular Session

By Senators White, Tom, Hill, Zarelli, Murray, Ericksen, Prentice, Hobbs, and Nelson

Read first time 01/17/11. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to establishing the office of student financial 2. assistance by eliminating the higher education coordinating board and 3 transferring its functions to various entities; amending RCW 28B.76.010, 28B.76.020, 28B.76.090, 28B.76.120, 28B.76.500, 28B.76.505, 4 28B.76.510, 28B.76.520, 28B.76.525, 28B.76.540, 28B.76.560, 28B.76.565, 5 6 28B.76.570, 28B.76.575, 28B.76.605, 28B.76.610, 28B.76.615, 28B.76.620, 7 28B.76.640, 28B.76.645, 28B.76.650, 28B.76.660, 28B.76.670, 28B.76.690, 8 28A.600.120, 28A.600.130, 28A.600.140, 28A.600.150, 28A.230.125, 9 28A.600.285, 28A.630.400, 28A.650.015, 28A.660.050, 28B.04.080, 28B.07.020, 28B.07.030, 28B.10.786, 28B.10.790, 28B.10.792, 28B.10.840, 10 11 28B.12.030, 28B.12.040, 28B.12.050, 28B.12.055, 28B.12.060, 28B.12.070, 12 28B.15.012, 28B.15.013, 28B.15.015, 28B.15.100, 28B.15.543, 28B.15.732, 28B.15.752, 28B.15.760, 28B.15.762, 28B.50.272, 28B.92.020, 28B.92.040, 13 28B.92.050, 28B.92.060, 28B.92.084, 28B.92.120, 28B.92.130, 28B.92.140, 14 15 28B.92.150, 28B.95.020, 28B.95.025, 28B.95.030, 28B.95.040, 28B.95.060, 28B.97.010, 28B.97.020, 28B.102.020, 16 28B.95.160, 28B.102.030, 17 28B.102.040, 28B.102.050, 28B.102.055, 28B.102.060, 28B.102.080, 18 28B.105.020, 28B.105.040, 28B.105.050, 28B.105.070, 28B.105.100, 19 28B.105.110, 28B.106.010, 28B.106.070, 28B.108.010, 28B.108.020, 20 28B.108.030, 28B.109.030, 28B.108.060, 28B.109.010, 28B.109.020, 21 28B.109.040, 28B.109.050, 28B.109.060, 28B.109.070, 28B.109.080,

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    43.09.440, 43.43.934, 43.43.938, 43.60A.151, 43.88.090, 43.88D.010,
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    43.105.400, 43.215.090, 43.330.310, 43.330.375, 47.80.090, and
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    70.180.110; reenacting and amending RCW 28B.50.030, 28B.92.030,
    28B.115.110, 28A.230.100, and 43.330.280; adding new sections to
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    chapter 43.41 RCW; adding a new section to chapter 28B.10 RCW; creating
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    new sections; recodifying RCW 28B.76.210, 28B.76.290, 28B.76.300,
    28B.76.310, and 28B.76.340; repealing RCW 28B.15.736, 28B.76.030,
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    28B.76.040, 28B.76.050, 28B.76.060, 28B.76.070, 28B.76.080, 28B.76.200,
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    28B.76.230, 28B.76.240, 28B.76.2401, 28B.76.250, 28B.76.260,
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    28B.76.270, 28B.76.280, 28B.76.330, 28B.76.530, 28B.115.060,
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    28B.10.922, 28B.76.335, and 28B.15.796; providing effective dates;
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    providing expiration dates; and declaring an emergency.
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## 37 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. The legislature recognizes that the state's higher education system plays a critical role in assuring Washington's continued leadership role in driving economic prosperity, innovation, and opportunity. By educating citizens for living wage jobs, producing world-class research, and helping to create vibrant communities, the state's institutions of higher education form a foundational component in assuring prosperity for our citizens.

The legislature also recognizes the significant contributions made by the higher education coordinating board in coordinating higher education policy and planning, and administering the state's financial aid programs. The board has also recently finished several significant planning efforts that will provide guidance to the legislature and to the institutions in forming priorities and deploying resources.

However, the legislature also recognizes the importance of prioritizing scarce resources for the core, front-line services that institutions provide--namely instruction, research, and robust financial aid. During times of economic downturn, policymakers must focus on those areas of public service that have the most direct and immediate impact on students. Keeping class sections open, attracting the best professors and instructors, providing comprehensive support services, and offering meaningful financial help to offset the costs of attending school must be the main concerns of policymakers.

It is for these reasons that the legislature intends to create a new office dedicated entirely to the administration of student financial aid programs. By focusing financial and governance resources on direct aid to students, the state can provide the highest level of service in this area. The legislature further intends to eliminate many of the policy and planning functions of the higher education coordinating board and rededicate those resources to the higher education institutions that provide the core, front-line services associated with instruction and research. Given the unprecedented budget crises the state is facing, the state must take the opportunity to build on the recommendations of the board and use the dollars where they can make the most direct impact.

35 PART I

OFFICE OF STUDENT FINANCIAL ASSISTANCE

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1 **Sec. 101.** RCW 28B.76.010 and 1985 c 370 s 1 are each amended to 2 read as follows:

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- (1) There is hereby created the ((Washington higher education coordinating)) student financial assistance advisory board.
- (2) The board shall consist of nine members. Two members shall 5 6 represent four-year institutions of higher education as defined in RCW 28B.10.016; two members shall represent two-year institutions of higher 7 education as defined in RCW 28B.10.016; one member shall represent the 8 9 independent colleges of Washington; and two members shall be students. The director of the office of financial management and the 10 superintendent of public instruction shall each serve as nonvoting ex 11 officio members. Voting members shall be appointed at large by the 12 governor. The board shall select from its membership a chair who shall 13 serve a one-year term. The chair may serve more than one term if 14 selected to do so by the membership. 15
  - (3) Except for initial members, whose terms shall be staggered, and student members, the members of the board shall serve for terms of four years, the terms expiring on June 30th of the fourth year of the term. The student members shall each hold his or her office for a term of one year beginning on the first day of July.
- 21 (4) Any vacancies among board members shall be filled by the 22 governor. Appointments to fill vacancies shall be only for such terms 23 as remain unexpired.
- 24 (5) The board must meet at least four times per year.
- 25 **Sec. 102.** RCW 28B.76.020 and 2010 c 245 s 4 are each amended to 26 read as follows:
- 27 The definitions in this section apply throughout this chapter 28 unless the context clearly requires otherwise.
  - (1) (("Board" means the higher education coordinating board.
- (2)) "Four-year institutions" means the University of Washington,
  Washington State University, Central Washington University, Eastern
  Washington University, Western Washington University, and The Evergreen
  State College.
- $((\frac{3}{3}))$  <u>(2)</u> "Major expansion" means expansion of the higher education system that requires significant new capital investment, including building new institutions, campuses, branches, or centers or

1 conversion of existing campuses, branches, or centers that would result 2 in a mission change.

- ((4))) (3) "Mission change" means a change in the level of degree awarded or institutional type not currently authorized in statute.
- (4) "Office" means the office of student financial assistance.

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- 6 **Sec. 103.** RCW 28B.76.090 and 2007 c 458 s 102 are each amended to read as follows:
  - (1) The office of student financial assistance is created in the office of financial management and shall be administered by the office of the governor.
    - (2) The purpose of the office is to administer state and federal financial aid and other education services programs, including the advanced college tuition payment program in chapter 28B.95 RCW, in a cost-effective manner.
    - (3) The ((board)) office shall employ a director ((and may delegate agency management to the director. The director)) who shall serve at the pleasure of the ((board, shall be the executive officer of the board, and shall, under the board's supervision,)) governor and shall administer the provisions of this chapter. The ((executive)) director shall((, with the approval of the board)): (((1))) (a) Employnecessary deputy and assistant directors and other exempt staff under chapter 41.06 RCW who shall serve at his or her pleasure on such terms and conditions as he or she determines and  $((\frac{2}{2}))$  (b) subject to the provisions of chapter 41.06 RCW, appoint and employ such other employees as may be required for the proper discharge of the functions of the ((board. The executive director shall exercise such additional powers, other than rule making, as may be delegated by the board by resolution. In fulfilling the duties under this chapter, the board shall make extensive use of those state agencies with responsibility for implementing and supporting postsecondary education plans and policies including but not limited to appropriate legislative groups, the postsecondary education institutions, the office of financial management, the workforce training and education coordinating board, the state board for community and technical colleges, and the office of the superintendent of public instruction. Outside consulting and service agencies may also be employed. The board may compensate these groups and consultants in appropriate ways)) office.

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- **Sec. 104.** RCW 28B.76.120 and 1985 c 370 s 8 are each amended to read as follows:
- The ((<del>board</del>)) <u>office</u> shall have authority to adopt rules as necessary to implement this chapter.
- **Sec. 105.** RCW 28B.76.500 and 2009 c 215 s 7 are each amended to read as follows:

- (1) The ((board)) office shall administer any state program or state-administered federal program of student financial aid now or hereafter established.
  - (2) Each of the student financial aid programs administered by the ((board)) office shall be labeled an "opportunity pathway." Loans provided by the federal government and aid granted to students outside of the financial aid package provided through institutions of higher education are not subject to the labeling provisions in this subsection. All communication materials, including, but not limited to, printed materials, presentations, and web content, shall include the "opportunity pathway" label.
- (3) If the ((board)) office develops a one-stop college information web-based portal that includes financial, academic, and career planning information, the portal shall display all available student financial aid programs, except federal student loans and aid granted to students outside of the financial aid package provided through institutions of higher education, under the "opportunity pathway" label. The portal shall also display information regarding federal tax credits related to higher education available for students or their families.
- (4) The labeling requirements in this section do not change the source, eligibility requirements, or student obligations associated with each program. The ((board)) office shall customize its communications to differentiate between programs, eligibility requirements, and student obligations, so long as the reporting provisions of this chapter are also fulfilled.
- **Sec. 106.** RCW 28B.76.505 and 2007 c 73 s 1 are each amended to 33 read as follows:
- 34 (1) The investment of funds from all scholarship endowment programs 35 administered by the ((higher education coordinating board)) office 36 shall be managed by the state investment board.

(2) The state investment board has the full power to invest, reinvest, manage, contract, sell, or exchange investment money in scholarship endowment funds. All investment and operating costs associated with the investment of a scholarship endowment fund shall be paid pursuant to RCW 43.33A.160 and 43.84.160. With the exception of these expenses, the earnings from the investments of the fund belong to the fund.

- (3) Funds from all scholarship endowment programs administered by the board shall be in the custody of the state treasurer.
- (4) All investments made by the state investment board shall be made with the exercise of that degree of judgment and care pursuant to RCW 43.33A.140 and the investment policies established by the state investment board.
- (5) As deemed appropriate by the state investment board, money in a scholarship endowment fund may be commingled for investment with other funds subject to investment by the state investment board.
- (6) The authority to establish all policies relating to scholarship endowment funds, other than the investment policies in subsections (2) through (5) of this section, resides with the ((higher education coordinating board)) office.
- (7) The ((higher education coordinating board)) office may request and accept moneys from the state investment board. With the exception of expenses of the state investment board in subsection (2) of this section, disbursements from the fund shall be made only on the authorization of the ((higher education coordinating board,)) office and money in the fund may be spent only for the purposes of the endowment programs as specified in the authorizing chapter of each program.
- (8) The state investment board shall routinely consult and communicate with the ((higher education coordinating board)) office on the investment policy, earnings of the scholarship endowment funds, and related needs of the programs.
- **Sec. 107.** RCW 28B.76.510 and 1985 c 370 s 21 are each amended to read as follows:
- 35 The ((board)) office shall administer any federal act pertaining to 36 higher education which is not administered by another state agency.

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1 **Sec. 108.** RCW 28B.76.520 and 1985 c 370 s 22 are each amended to 2 read as follows:

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The ((board)) office is authorized to receive and expend federal funds and any private gifts or grants, such federal funds or private funds to be expended in accordance with the conditions contingent in such grant thereof.

- 7 **Sec. 109.** RCW 28B.76.525 and 2005 c 139 s 1 are each amended to 8 read as follows:
  - (1) The state financial aid account is created in the custody of the state treasurer. The primary purpose of the account is to ensure that all appropriations designated for financial aid through statewide student financial aid programs are made available to eligible students. The account shall be a nontreasury account.
  - The ((higher education coordinating board)) office shall deposit in the account all money received for the state need grant program established under RCW 28B.92.010, the state work-study program established under chapter 28B.12 RCW, the Washington scholars program established under RCW 28A.600.110, the Washington award for vocational excellence program established under RCW 28C.04.525, and the educational opportunity grant program established under chapter 28B.101 The account shall consist of funds appropriated by the legislature for the programs listed in this subsection and private contributions to the programs. Moneys deposited in the account do not lapse at the close of the fiscal period for which they were appropriated. Both during and after the fiscal period in which moneys were deposited in the account, the ((board)) office may expend moneys in the account only for the purposes for which they were appropriated, and the expenditures are subject to any other conditions or limitations placed on the appropriations.
  - (3) Expenditures from the account shall be used for scholarships to students eligible for the programs according to program rules and policies.
    - (4) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.
- 35 (5) Only the ((executive)) director of the ((higher education coordinating board)) office or the ((executive)) director's designee may authorize expenditures from the account.

1 **Sec. 110.** RCW 28B.76.540 and 2004 c 275 s 18 are each amended to 2 read as follows:

In addition to administrative responsibilities assigned in this 3 4 chapter, the ((board)) office shall administer the programs set forth in the following statutes: RCW 28A.600.100 through 28A.600.150 5 6 (Washington scholars); chapter 28B.85 RCW (degree-granting 7 institutions); chapter 28B.92 RCW (state need grant); chapter 28B.12 8 RCW (work study); RCW 28B.15.543 (tuition waivers for Washington 9 scholars); RCW 28B.15.760 through 28B.15.766 (math and science loans); 28B.15.100 (reciprocity agreement); RCW 10 28B.15.730 through 11 ((<del>28B.15.736</del>)) 28B.15.734 (Oregon reciprocity); RCW 28B.15.750 through 12 28B.15.754 (Idaho reciprocity); RCW 28B.15.756 and 28B.15.758 (British 13 Columbia reciprocity); chapter 28B.101 RCW (educational opportunity grant); chapter 28B.102 RCW (future teachers conditional scholarship); 14 15 chapter 28B.108 RCW (American Indian endowed scholarship); chapter 28B.109 RCW (Washington international exchange scholarship); chapter 16 28B.115 RCW (health professional conditional scholarship); chapter 17 18 28B.119 RCW (Washington promise scholarship); and chapter 28B.133 RCW 19 (gaining independence for students with dependents).

- 20 **Sec. 111.** RCW 28B.76.560 and 1987 c 8 s 2 are each amended to read 21 as follows:
- The Washington distinguished professorship trust fund program is established.
- 24 The program shall be administered by the ((higher education coordinating board)) office.
- The trust fund shall be administered by the state treasurer.

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27 **Sec. 112.** RCW 28B.76.565 and 2010 1st sp.s. c 37 s 915 are each 28 amended to read as follows:

Funds appropriated by the legislature for the distinguished professorship program shall be deposited in the distinguished professorship trust fund. At the request of the ((higher education coordinating board)) office under RCW 28B.76.575, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund. During the 2009-2011 fiscal biennium, the legislature may

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- 1 transfer from the distinguished professorship trust fund to the state
- 2 general fund such amounts as reflect the excess fund balance in the
- 3 account.

**Sec. 113.** RCW 28B.76.570 and 1987 c 8 s 4 are each amended to read 5 as follows:

In consultation with the eligible institutions of higher education, the ((higher education coordinating board)) office shall set guidelines for the program. These guidelines may include an allocation system based on factors which include but are not limited to: The amount of money available in the trust fund; characteristics of the institutions including the size of the faculty and student body; and the number of professorships previously received.

Any allocation system shall be superseded by conditions in any act of the legislature appropriating funds for this program.

Sec. 114. RCW 28B.76.575 and 1988 c 125 s 3 are each amended to read as follows:

All state four-year institutions of higher education shall be eligible for matching trust funds. An institution may apply to the ((higher education coordinating board)) office for two hundred fifty thousand dollars from the fund when the institution can match the state funds with an equal amount of pledged or contributed private donations or with funds received through legislative appropriation specifically for the G. Robert Ross distinguished faculty award and designated as being qualified to be matched from trust fund moneys. These donations shall be made specifically to the professorship program, and shall be donated after July 1, 1985.

Upon an application by an institution, the ((board)) office may designate two hundred fifty thousand dollars from the trust fund for that institution's pledged professorship. If the pledged two hundred fifty thousand dollars is not received within three years, the ((board)) office shall make the designated funds available for another pledged professorship.

Once the private donation is received by the institution, the ((higher education coordinating board)) office shall ask the state treasurer to release the state matching funds to a local endowment fund established by the institution for the professorship.

**Sec. 115.** RCW 28B.76.605 and 1987 c 147 s 2 are each amended to read as follows:

The Washington graduate fellowship trust fund program is established. The program shall be administered by the ((higher education coordinating board)) office. The trust fund shall be administered by the state treasurer.

**Sec. 116.** RCW 28B.76.610 and 2010 1st sp.s. c 37 s 916 are each 8 amended to read as follows:

Funds appropriated by the legislature for the graduate fellowship program shall be deposited in the graduate fellowship trust fund. At the request of the ((higher education coordinating board)) office under RCW 28B.76.620, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund. During the 2009-2011 fiscal biennium, the legislature may transfer from the graduate fellowship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

**Sec. 117.** RCW 28B.76.615 and 1987 c 147 s 4 are each amended to read as follows:

In consultation with eligible institutions of higher education, the ((higher education coordinating board)) office shall set guidelines for the program. These guidelines may include an allocation system based on factors which include but are not limited to: The amount of money available in the trust fund; characteristics of the institutions including the size of the faculty and student body; and the number of fellowships previously received.

27 Any allocation system shall be superseded by conditions in any 28 legislative act appropriating funds for the program.

- **Sec. 118.** RCW 28B.76.620 and 1987 c 147 s 5 are each amended to 30 read as follows:
- 31 (1) All state four-year institutions of higher education shall be 32 eligible for matching trust funds. Institutions may apply to the 33 ((higher education coordinating board)) office for twenty-five thousand 34 dollars from the fund when they can match the state funds with equal

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pledged or contributed private donations. These donations shall be made specifically to the graduate fellowship program, and shall be donated after July 1, 1987.

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- (2) Upon an application by an institution, the ((board)) office may designate twenty-five thousand dollars from the trust fund for that institution's pledged graduate fellowship fund. If the pledged twenty-five thousand dollars is not received within two years, the ((board)) office shall make the designated funds available for another pledged graduate fellowship fund.
- 10 (3) Once the private donation is received by the institution, the ((higher education coordinating board)) office shall ask the state treasurer to release the state matching funds to a local endowment fund established by the institution for the graduate fellowships.
- 14 **Sec. 119.** RCW 28B.76.640 and 1985 c 370 s 17 are each amended to read as follows:
- The ((board)) office is hereby specifically directed to develop such state plans as are necessary to coordinate the state of Washington's participation within the student exchange compact programs under the auspices of the Western Interstate Commission for Higher Education, as provided by chapter 28B.70 RCW. In addition to establishing such plans the ((board)) office shall designate the state certifying officer for student programs.
- 23 **Sec. 120.** RCW 28B.76.645 and 2004 c 275 s 23 are each amended to 24 read as follows:
  - In the development of any such plans as called for within RCW 28B.76.640, the ((board)) office shall use at least the following criteria:
  - (1) Students who are eligible to attend compact-authorized programs in other states shall meet the Washington residency requirements of chapter 28B.15 RCW prior to being awarded tuition assistance.
- 31 (2) For recipients named after January 1, 1995, the tuition 32 assistance shall be in the form of loans that may be completely 33 forgiven in exchange for the student's service within the state of 34 Washington after graduation. The requirements for such service and 35 provisions for loan forgiveness shall be determined in rules adopted by 36 the ((board)) office.

(3) If appropriations are insufficient to fund all students qualifying under subsection (1) of this section, then the plans shall include criteria for student selection that would be in the best interest in meeting the state's educational needs, as well as recognizing the financial needs of students.

- (4) Receipts from the payment of principal or interest or any other subsidies to which the ((board)) office as administrator is entitled, that are paid by or on behalf of participants under this section, shall be deposited with the ((board)) office and placed in an account created in this section and shall be used to cover the costs of granting the scholarships, maintaining necessary records, and making collections. The ((board)) office shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to grant conditional loans to eligible students.
- (5) The Washington interstate commission on higher education professional student exchange program trust fund is created in the custody of the state treasurer. All receipts from loan repayment shall be deposited into the fund. Only the ((higher education coordinating board)) office, or its designee, may authorize expenditures from the fund. No appropriation is required for expenditures from this fund.
- **Sec. 121.** RCW 28B.76.650 and 1985 c 370 s 19 are each amended to 22 read as follows:
  - The ((board)) office shall periodically advise the governor and the legislature of the policy implications of the state of Washington's participation in the Western Interstate Commission for Higher Education student exchange programs as they affect long-range planning for post-secondary education, together with recommendations on the most efficient way to provide high cost or special educational programs to Washington residents.
  - **Sec. 122.** RCW 28B.76.660 and 2005 c 518 s 917 are each amended to read as follows:
  - (1) Recipients of the Washington scholars award or the Washington scholars-alternate award under RCW 28A.600.100 through 28A.600.150 who choose to attend an independent college or university in this state, as defined in subsection (4) of this section, and recipients of the award named after June 30, 1994, who choose to attend a public college or

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university in the state may receive grants under this section if moneys 1 2 are available. The ((higher education coordinating board)) office shall distribute grants to eligible students under this section from 3 4 moneys appropriated for this purpose. The individual grants shall not exceed, on a yearly basis, the yearly, full-time, 5 resident, 6 undergraduate tuition and service and activities fees in effect at the 7 state-funded research universities. Grants to recipients attending an 8 independent institution shall be contingent upon the institution 9 matching on at least a dollar-for-dollar basis, either with actual 10 money or by a waiver of fees, the amount of the grant received by the 11 student from the state. The ((higher education coordinating board)) 12 office shall establish procedures, by rule, to disburse the awards as 13 direct grants to the students.

(2) The ((higher education coordinating board)) office shall establish rules that provide for the annual awarding of grants, if moneys are available, to three Washington scholars per legislative district except for fiscal year 2007 when no more than two scholars per district shall be selected; and, if not used by an original recipient, to the Washington scholars-alternate from the same legislative district.

Beginning with scholars selected in the year 2000, if the recipients of grants fail to demonstrate in a timely manner that they will enroll in a Washington institution of higher education in the fall term of the academic year following the award of the grant or are deemed by the ((higher education coordinating board)) office to have withdrawn from college during the first academic year following the award, then the grant shall be considered relinquished. The ((higher education coordinating board)) office may then award any remaining grant amounts to the Washington scholars-alternate from the same legislative district if the grants are awarded within one calendar year the recipient being named a Washington scholars-alternate. Washington scholars-alternates named as recipients of the grant must also demonstrate in a timely manner that they will enroll in a Washington institution of higher education during the next available term, as determined by the ((higher education coordinating board)) office. The ((board)) office may accept appeals and grant waivers to the enrollment requirements of this section based on exceptional mitigating circumstances of individual grant recipients.

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To maintain eligibility for the grants, recipients must maintain a minimum grade point average at the college or university equivalent to Students shall be eligible to receive a maximum of twelve quarters or eight semesters of grants for undergraduate study and may transfer among in-state public and independent colleges universities during that period and continue to receive the grant as provided under RCW 28B.76.665. If the student's cumulative grade point average falls below 3.30 during the first three quarters or two student semesters, that may petition the ((higher education coordinating board)) office which shall have the authority to establish a probationary period until such time as the student's grade point average meets required standards.

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- (3) No grant shall be awarded to any student who is pursuing a degree in theology.
- (4) As used in this section, "independent college or university" means a private, nonprofit educational institution, the main campus of which is permanently situated in the state, open to residents of the state, providing programs of education beyond the high school level leading at least to the baccalaureate degree, and accredited by the northwest association of schools and colleges as of June 9, 1988, and other institutions as may be developed that are approved by the ((higher education coordinating board)) office of financial management as meeting equivalent standards as those institutions accredited under this section.
- 25 (5) As used in this section, "public college or university" means 26 an institution of higher education as defined in RCW 28B.10.016.
- 27 **Sec. 123.** RCW 28B.76.670 and 1995 1st sp.s. c 7 s 8 are each 28 amended to read as follows:
  - (1) Recipients of the Washington award for vocational excellence under RCW 28C.04.520 through 28C.04.550, who receive the award after June 30, 1994, may receive a grant, if funds are available. The grant shall be used to attend a postsecondary institution located in the state of Washington. Recipients may attend an institution of higher education as defined in RCW 28B.10.016, or an independent college or university, or a licensed private vocational school. The ((higher education coordinating board)) office shall distribute grants to eligible students under this section from moneys appropriated for this

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purpose. The individual grants shall not exceed, on a yearly basis, the yearly, full-time, resident, undergraduate tuition and service and activities fees in effect at the state-funded research universities. In consultation with the workforce training and education coordinating board, the ((higher education coordinating board)) office shall establish procedures, by rule, to disburse the awards as direct grants

to the students.

- (2) To qualify for the grant, recipients shall enter the postsecondary institution within three years of high school graduation and maintain a minimum grade point average at the institution equivalent to 3.00, or, at a technical college, an above average rating. Students shall be eligible to receive a maximum of two years of grants for undergraduate study and may transfer among in-state eligible postsecondary institutions during that period and continue to receive the grant.
- 16 (3) No grant may be awarded to any student who is pursuing a degree in theology.
  - (4) As used in this section, "independent college or university" means a private, nonprofit educational institution, the main campus of which is permanently situated in the state, open to residents of the state, providing programs of education beyond the high school level leading at least to the baccalaureate degree, and accredited by the Northwest association of schools and colleges as of June 9, 1988, and other institutions as may be developed that are approved by the ((higher education coordinating board)) office of financial management as meeting equivalent standards as those institutions accredited under this section.
  - (5) As used in this section, "licensed private vocational school" means a private postsecondary institution, located in the state, licensed by the workforce training and education coordinating board under chapter 28C.10 RCW, and offering postsecondary education in order to prepare persons for a vocation or profession, as defined in RCW 28C.10.020(7).
- **Sec. 124.** RCW 28B.76.690 and 2003 c 159 s 3 are each amended to read as follows:
- The ((higher education coordinating board)) office shall administer

1 Washington's participation in the border county higher education 2 opportunity project.

**Sec. 125.** RCW 28A.600.120 and 1985 c 370 s 32 are each amended to read as follows:

The ((higher education coordinating board)) office of student financial assistance shall have the responsibility for administration of the Washington scholars program. The program will be developed cooperatively with the Washington association of secondary school principals, a voluntary professional association of secondary school principals. The cooperation of other state agencies and private organizations having interest and responsibility in public and private education shall be sought for planning assistance.

**Sec. 126.** RCW 28A.600.130 and 2006 c 263 s 916 are each amended to 14 read as follows:

The ((higher education coordinating board)) office of student financial assistance shall establish a planning committee to develop criteria for screening and selection of the Washington scholars each year in accordance with RCW 28A.600.110(1). It is the intent that these criteria shall emphasize scholastic achievement but not exclude such criteria as leadership ability and community contribution in final selection procedures. The Washington scholars planning committee shall have members from selected state agencies and private organizations having an interest and responsibility in education, including but not limited to, the office of superintendent of public instruction, the council of presidents, the state board for community and technical colleges, and the Washington friends of higher education.

**Sec. 127.** RCW 28A.600.140 and 1990 c 33 s 501 are each amended to 28 read as follows:

Each year on or before March 1st, the Washington association of secondary school principals shall submit to the ((higher education coordinating board)) office of student financial assistance the names of graduating senior high school students who have been identified and recommended to be outstanding in academic achievement by their school principals based on criteria to be established under RCW 28A.600.130.

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**Sec. 128.** RCW 28A.600.150 and 2005 c 518 s 916 are each amended to read as follows:

Each year, three Washington scholars and one Washington scholars-alternate shall be selected from the students nominated under RCW 28A.600.140, except that during fiscal year 2007, no more than two scholars plus one alternate may be selected. The ((higher education coordinating board)) office of student financial assistance shall notify the students so designated, their high school principals, the legislators of their respective districts, and the governor when final selections have been made.

The ((board)) office, in conjunction with the governor's office, shall prepare appropriate certificates to be presented to the Washington scholars and the Washington scholars-alternates. An awards ceremony at an appropriate time and place shall be planned by the ((board)) office in cooperation with the Washington association of secondary school principals, and with the approval of the governor.

- **Sec. 129.** RCW 28A.230.125 and 2009 c 556 s 9 are each amended to read as follows:
- (1) The superintendent of public instruction, in consultation with the ((higher education coordinating board)) four-year institutions as defined in RCW 28B.76.020, the state board for community and technical colleges, and the workforce training and education coordinating board, shall develop for use by all public school districts a standardized high school transcript. The superintendent shall establish clear definitions for the terms "credits" and "hours" so that school programs operating on the quarter, semester, or trimester system can be compared.
- 28 (2) The standardized high school transcript shall include a 29 notation of whether the student has earned a certificate of individual 30 achievement or a certificate of academic achievement.
- **Sec. 130.** RCW 28A.600.285 and 2009 c 450 s 4 are each amended to read as follows:
- 33 The superintendent of public instruction and the ((higher education coordinating board)) office of student financial assistance shall develop advising guidelines to assure that students and parents

- 1 understand that college credits earned in high school dual credit 2 programs may impact eligibility for financial aid.
  - **Sec. 131.** RCW 28A.630.400 and 2006 c 263 s 815 are each amended to read as follows:

- (1) The professional educator standards board and the state board for community and technical colleges, in consultation with the superintendent of public instruction, ((the higher education coordinating board,)) the state apprenticeship training council, and community colleges, shall adopt rules as necessary under chapter 34.05 RCW to implement the paraeducator associate of arts degree.
- (2) As used in this section, a "paraeducator" is an individual who has completed an associate of arts degree for a paraeducator. The paraeducator may be hired by a school district to assist certificated instructional staff in the direct instruction of children in small and large groups, individualized instruction, testing of children, recordkeeping, and preparation of materials. The paraeducator shall work under the direction of instructional certificated staff.
- (3) The training program for a paraeducator associate of arts degree shall include, but is not limited to, the general requirements for receipt of an associate of arts degree and training in the areas of introduction to childhood education, orientation to children with disabilities, fundamentals of childhood education, creative activities for children, instructional materials for children, fine art experiences for children, the psychology of learning, introduction to education, child health and safety, child development and guidance, first aid, and a practicum in a school setting.
- (4) Consideration shall be given to transferability of credit earned in this program to teacher preparation programs at colleges and universities.
- **Sec. 132.** RCW 28A.650.015 and 2009 c 556 s 17 are each amended to read as follows:
- 32 (1) The superintendent of public instruction, to the extent funds 33 are appropriated, shall develop and implement a Washington state K-12 34 education technology plan. The technology plan shall be updated on at 35 least a biennial basis, shall be developed to coordinate and expand the

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use of education technology in the common schools of the state. The plan shall be consistent with applicable provisions of chapter 43.105 RCW. The plan, at a minimum, shall address:

- (a) The provision of technical assistance to schools and school districts for the planning, implementation, and training of staff in the use of technology in curricular and administrative functions;
- (b) The continued development of a network to connect school districts, institutions of higher learning, and other sources of online information; and
- (c) Methods to equitably increase the use of education technology by students and school personnel throughout the state.
- (2) The superintendent of public instruction shall appoint an educational technology advisory committee to assist in the development and implementation of the technology plan in subsection (1) of this section. The committee shall include, but is not limited to, persons representing: The department of information services, educational service districts, school directors, school administrators, school principals, teachers, classified staff, higher education faculty, parents, students, business, labor, scientists and mathematicians, ((the higher education coordinating board,)) the workforce training and education coordinating board, and the state library.
- (3) The plan adopted and implemented under this section may not impose on school districts any requirements that are not specifically required by federal law or regulation, including requirements to maintain eligibility for the federal schools and libraries program of the universal service fund.
- **Sec. 133.** RCW 28A.660.050 and 2010 c 235 s 505 are each amended to 28 read as follows:
- Subject to the availability of amounts appropriated for these purposes, the conditional scholarship programs in this chapter are created under the following guidelines:
  - (1) The programs shall be administered by the ((higher education coordinating board)) office of student financial assistance. In administering the programs, the ((higher education coordinating board)) office has the following powers and duties:
- 36 (a) To adopt necessary rules and develop guidelines to administer 37 the programs;

1 (b) To collect and manage repayments from participants who do not 2 meet their service obligations; and

- (c) To accept grants and donations from public and private sources for the programs.
- (2) Requirements for participation in the conditional scholarship programs are as provided in this subsection (2).
- (a) The alternative route conditional scholarship program is limited to interns of professional educator standards board-approved alternative routes to teaching programs under RCW 28A.660.040. For fiscal year 2011, priority must be given to fiscal year 2010 participants in the alternative route partnership program. In order to receive conditional scholarship awards, recipients shall:
- (i) Be accepted and maintain enrollment in alternative certification routes through a professional educator standards board-approved program;
  - (ii) Continue to make satisfactory progress toward completion of the alternative route certification program and receipt of a residency teaching certificate; and
  - (iii) Receive no more than the annual amount of the scholarship, not to exceed eight thousand dollars, for the cost of tuition, fees, and educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled. The board may adjust the annual award by the average rate of resident undergraduate tuition and fee increases at the state universities as defined in RCW 28B.10.016.
  - (b) The pipeline for paraeducators conditional scholarship program is limited to qualified paraeducators as provided by RCW 28A.660.042. In order to receive conditional scholarship awards, recipients shall:
  - (i) Be accepted and maintain enrollment at a community and technical college for no more than two years and attain an associate of arts degree;
  - (ii) Continue to make satisfactory progress toward completion of an associate of arts degree. This progress requirement is a condition for eligibility into a route one program of the alternative routes to teacher certification program for a mathematics, special education, or English as a second language endorsement; and
- 37 (iii) Receive no more than the annual amount of the scholarship, 38 not to exceed four thousand dollars, for the cost of tuition, fees, and

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educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled. The board may adjust the annual award by the average rate of tuition and fee increases at the state community and technical colleges.

- (c) The retooling to teach mathematics and science conditional scholarship program is limited to current K-12 teachers. In order to receive conditional scholarship awards:
- (i) Individuals currently employed as teachers shall pursue a middle level mathematics or science, or secondary mathematics or science endorsement; or
- (ii) Individuals who are certificated with an elementary education endorsement shall pursue an endorsement in middle level mathematics or science, or both; and
- (iii) Individuals shall use one of the pathways to endorsement processes to receive a mathematics or science endorsement, or both, which shall include passing a mathematics or science endorsement test, or both tests, plus observation and completing applicable coursework to attain the proper endorsement; and
- (iv) Individuals shall receive no more than the annual amount of the scholarship, not to exceed three thousand dollars, for the cost of tuition, test fees, and educational expenses, including books, supplies, and transportation for the endorsement pathway being pursued.
- (3) The Washington professional educator standards board shall select individuals to receive conditional scholarships. In selecting recipients, preference shall be given to eligible veterans or national guard members.
- (4) For the purpose of this chapter, a conditional scholarship is a loan that is forgiven in whole or in part in exchange for service as a certificated teacher employed in a Washington state K-12 public school. The state shall forgive one year of loan obligation for every two years a recipient teaches in a public school. Recipients who fail to continue a course of study leading to residency teacher certification or cease to teach in a public school in the state of Washington in their endorsement area are required to repay the remaining loan principal with interest.
- 37 (5) Recipients who fail to fulfill the required teaching obligation 38 are required to repay the remaining loan principal with interest and

any other applicable fees. The ((higher education coordinating board))

office of student financial assistance shall adopt rules to define the

terms for repayment, including applicable interest rates, fees, and

deferments.

- (6) The ((higher education coordinating board)) office of student financial assistance may deposit all appropriations, collections, and any other funds received for the program in this chapter in the future teachers conditional scholarship account authorized in RCW 28B.102.080.
- **Sec. 134.** RCW 28B.04.080 and 2004 c 275 s 31 are each amended to read as follows:
  - (1) The board shall consult and cooperate with the department of social and health services; the ((higher education coordinating board)) office of student financial assistance; the superintendent of public instruction; the workforce training and education coordinating board; the employment security department; the department of labor and industries; sponsoring agencies under the federal comprehensive employment and training act (87 Stat. 839; 29 U.S.C. Sec. 801 et seq.), and any other persons or agencies as the board deems appropriate to facilitate the coordination of centers established under this chapter with existing programs of a similar nature.
  - (2) Annually on July 1st, each agency listed in subsection (1) of this section shall submit a description of each service or program under its jurisdiction which would support the programs and centers established by this chapter and the funds available for such support.
  - (3) The board shall serve as a clearinghouse for displaced homemaker information and resources and shall compile and disseminate statewide information to the centers, related agencies, and interested persons upon request.
- **Sec. 135.** RCW 28B.07.020 and 2007 c 218 s 86 are each amended to 30 read as follows:
- As used in this chapter, the following words and terms shall have the following meanings, unless the context otherwise requires:
  - (1) "Authority" means the Washington higher education facilities authority created under RCW 28B.07.030 or any board, body, commission, department or officer succeeding to the principal functions of the

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authority or to whom the powers conferred upon the authority shall be given by law.

- (2) "Bonds" means bonds, notes, commercial paper, certificates of indebtedness, or other evidences of indebtedness of the authority issued under this chapter.
- (3) "Bond resolution" means any resolution of the authority, adopted under this chapter, authorizing the issuance and sale of bonds.
- (4) "Higher education institution" means a private, nonprofit educational institution, the main campus of which is permanently situated in the state, which is open to residents of the state, which neither restricts entry on racial or religious grounds, which provides programs of education beyond high school leading at least to the baccalaureate degree, and which is accredited by the Northwest Association of Schools and Colleges or by an accrediting association recognized by the ((higher education coordinating board)) office of financial management.
- (5) "Participant" means a higher education institution which, under this chapter, undertakes the financing of a project or projects or undertakes the refunding or refinancing of obligations, mortgages, or advances previously incurred for a project or projects.
- (6) "Project" means any land or any improvement, including, but not limited to, buildings, structures, fixtures, utilities, machinery, excavations, paving, and landscaping, and any interest in such land or improvements, and any personal property pertaining or useful to such land and improvements, which are necessary, useful, or convenient for the operation of a higher education institution, including but not limited to, the following: Dormitories or other multi-unit housing facilities for students, faculty, officers, or employees; dining halls; student unions; administration buildings; academic buildings; libraries; laboratories; research facilities; computer facilities; classrooms; athletic facilities; health care facilities; maintenance, storage, or utility facilities; parking facilities; or any combination thereof, or any other structures, facilities, or equipment so related.
- (7) "Project cost" means any cost related to the acquisition, construction, improvement, alteration, or rehabilitation by a participant or the authority of any project and the financing of the project through the authority, including, but not limited to, the following costs paid or incurred: Costs of acquisition of land or

interests in land and any improvement; costs of contractors, builders, laborers, material suppliers, and suppliers of tools and equipment; costs of surety and performance bonds; fees and disbursements of architects, surveyors, engineers, feasibility consultants, accountants, attorneys, financial consultants, and other professionals; interest on bonds issued by the authority during any period of construction; principal of and interest on interim financing of any project; debt service reserve funds; depreciation funds, costs of the initial start-up operation of any project; fees for title insurance, document recording, or filing; fees of trustees and the authority; taxes and other governmental charges levied or assessed on any project; and any other similar costs. Except as specifically set forth in this definition, the term "project cost" does not include books, fuel, supplies, and similar items which are required to be treated as a current expense under generally accepted accounting principles. 

(8) "Trust indenture" means any agreement, trust indenture, or other similar instrument by and between the authority and one or more corporate trustees.

- Sec. 136. RCW 28B.07.030 and 2007 c 36 s 14 are each amended to read as follows:
  - (1) The Washington higher education facilities authority is hereby established as a public body corporate and politic, with perpetual corporate succession, constituting an agency of the state of Washington exercising essential governmental functions. The authority is a "public body" within the meaning of RCW 39.53.010.
- (2) The authority shall consist of ((seven)) six members as follows: The governor, lieutenant governor, ((executive director of the higher education coordinating board,)) and four public members, one of whom shall be the president of a higher education institution at the time of appointment. The public members shall be residents of the state and appointed by the governor, subject to confirmation by the senate, on the basis of their interest or expertise in the provision of higher education and the financing of higher education. The public members of the authority shall serve for terms of four years. The initial terms of the public members shall be staggered in a manner determined by the governor. In the event of a vacancy on the authority due to death, resignation, or removal of one of the public members, and

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upon the expiration of the term of any public member, the governor shall appoint a successor for a term expiring on the fourth anniversary of the successor's date of the appointment. If any of the state offices are abolished, the resulting vacancy on the authority shall be filled by the state officer who shall succeed substantially to the power and duties of the abolished office. Any public member of the authority may be removed by the governor for misfeasance, malfeasance, ((wilful)) willful neglect of duty, or any other cause after notice and a public hearing, unless such notice and hearing shall be expressly waived in writing.

- (3) The governor shall serve as chairperson of the authority. The authority shall elect annually one of its members as secretary. If the governor shall be absent from a meeting of the authority, the secretary shall preside. However, the governor may designate an employee of the governor's office to act on the governor's behalf in all other respects during the absence of the governor at any meeting of the authority. If the designation is in writing and is presented to the person presiding at the meetings of the authority who is included in the designation, the vote of the designee has the same effect as if cast by the governor.
- (4) Any person designated by resolution of the authority shall keep a record of the proceedings of the authority and shall be the custodian of all books, documents, and papers filed with the authority, the minute book or a journal of the authority, and the authority's official seal, if any. The person may cause copies to be made of all minutes and other records and documents of the authority, and may give certificates to the effect that such copies are true copies. All persons dealing with the authority may rely upon the certificates.
- (5) Four members of the authority constitute a quorum. Members participating in a meeting through the use of any means of communication by which all members participating can hear each other during the meeting shall be deemed to be present in person at the meeting for all purposes. The authority may act on the basis of a motion except when authorizing the issuance and sale of bonds, in which case the authority shall act by resolution. Bond resolutions and other resolutions shall be adopted upon the affirmative vote of four members of the authority, and shall be signed by those members voting yes. Motions shall be adopted upon the affirmative vote of a majority of a

quorum of members present at any meeting of the authority. All actions taken by the authority shall take effect immediately without need for publication or other public notice. A vacancy in the membership of the authority does not impair the power of the authority to act under this chapter.

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(6) The members of the authority shall be compensated in accordance with RCW 43.03.240 and shall be entitled to reimbursement, solely from the funds of the authority, for travel expenses as determined by the authority incurred in the discharge of their duties under this chapter.

Sec. 137. RCW 28B.10.786 and 1993 sp.s. c 15 s 7 are each amended to read as follows:

It is the policy of the state of Washington that financial need not be a barrier to participation in higher education. It is also the policy of the state of Washington that the essential requirements level budget calculation include funding for state student financial aid The calculation should, at a minimum, include a funding level equal to the amount provided in the second year of the previous biennium in the omnibus appropriations act, adjusted for the percentage of needy resident students, by educational sector, likely to be included in any enrollment increases necessary to maintain, educational sector, the participation rate funded in the 1993 fiscal The calculation should also be adjusted to reflect, educational sector, any increases in cost of attendance. The cost of attendance figures should be calculated by the ((higher education coordinating board and provided to the)) office of financial management and provided to the appropriate legislative committees by June 30th of each even-numbered year.

28 **Sec. 138.** RCW 28B.10.790 and 2004 c 275 s 44 are each amended to 29 read as follows:

Washington residents attending any nonprofit college or university in another state which has a reciprocity agreement with the state of Washington shall be eligible for the student financial aid program outlined in chapter 28B.92 RCW if (1) they qualify as a "needy student" under RCW 28B.92.030(((3))) (5), and (2) the institution attended is a member institution of an accrediting association recognized by rule of the ((higher education coordinating board)) office of student financial

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- 1 <u>assistance</u> for the purposes of this section and is specifically
- 2 encompassed within or directly affected by such reciprocity agreement
- 3 and agrees to and complies with program rules and regulations
- 4 pertaining to such students and institutions adopted pursuant to RCW
- 5 28B.92.150.
- 6 **Sec. 139.** RCW 28B.10.792 and 1985 c 370 s 55 are each amended to 7 read as follows:
- 8 The ((higher education coordinating board)) office of student
- 9 <u>financial assistance</u> shall develop guidelines for determining the
- conditions under which an institution can be determined to be directly
- affected by a reciprocity agreement for the purposes of RCW 28B.10.790:
- 12 PROVIDED, That no institution shall be determined to be directly
- 13 affected unless students from the county in which the institution is
- 14 located are provided, pursuant to a reciprocity agreement, access to
- 15 Washington institutions at resident tuition and fee rates to the extent
- 16 authorized by Washington law.
- 17 **Sec. 140.** RCW 28B.10.840 and 1985 c 370 s 57 are each amended to
- 18 read as follows:
- 19 The term "institution of higher education" whenever used in RCW
- 20 28B.10.840 through 28B.10.844, shall be held and construed to mean any
- 21 public institution of higher education in Washington. The term
- "educational board" whenever used in RCW 28B.10.840 through 28B.10.844,
- 23 shall be held and construed to mean the state board for community <u>and</u>
- $\underline{\text{technical}}$  colleges ((education and the higher education coordinating
- 25 <del>board</del>)).
- 26 Sec. 141. RCW 28B.12.030 and 2002 c 187 s 2 are each amended to
- 27 read as follows:
- 28 As used in this chapter, the following words and terms shall have
- 29 the following meanings, unless the context shall clearly indicate
- 30 another or different meaning or intent:
- 31 (1) The term "needy student" shall mean a student enrolled or
- 32 accepted for enrollment at a ((post-secondary)) postsecondary
- 33 institution who, according to a system of need analysis approved by the
- 34 ((higher education coordinating board)) office of student financial

<u>assistance</u>, demonstrates a financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter.

(2) The term "eligible institution" shall mean any ((post-secondary)) postsecondary institution in this state accredited by the Northwest Association of Schools and Colleges, or a branch of a member institution of an accrediting association recognized by rule of the ((board)) office of financial management for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, or any public technical college in the state.

**Sec. 142.** RCW 28B.12.040 and 2009 c 560 s 21 are each amended to read as follows:

The ((higher education coordinating board)) office of student financial assistance shall develop and administer the state work-study program. The board shall be authorized to enter into agreements with employers and eligible institutions for the operation of the program. These agreements shall include such provisions as the ((higher education coordinating board)) office may deem necessary or appropriate to carry out the purposes of this chapter.

With the exception of off-campus community service placements, the share from moneys disbursed under the state work-study program of the compensation of students employed under such program in accordance with such agreements shall not exceed eighty percent of the total such compensation paid such students.

By rule, the ((board)) office shall define community service placements and may determine any salary matching requirements for any community service employers.

Sec. 143. RCW 28B.12.050 and 1994 c 130 s 5 are each amended to read as follows:

The ((higher education coordinating board)) office of student financial assistance shall disburse state work-study funds. In performing its duties under this section, the ((board)) office shall consult eligible institutions and ((post-secondary)) postsecondary education advisory and governing bodies. The ((board)) office shall

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- establish criteria designed to achieve such distribution of assistance under this chapter among students attending eligible institutions as will most effectively carry out the purposes of this chapter.
- 4 **Sec. 144.** RCW 28B.12.055 and 2009 c 215 s 12 are each amended to read as follows:

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- (1) Within existing resources, the ((higher education coordinating board)) office of student financial assistance shall establish the work-study opportunity grant for high-demand occupations, a competitive grant program to encourage job placements in high-demand fields. The ((board)) office shall award grants to eligible institutions of higher education that have developed a partnership with a proximate organization willing to host work-study placements. Partner organizations may be nonprofit organizations, for-profit firms, or public agencies. Eligible institutions of higher education must verify that all job placements will last for a minimum of one academic quarter or one academic semester, depending on the system used by the eligible institution of higher education.
- (2) The ((board)) office may adopt rules to identify high-demand fields for purposes of this section. The legislature recognizes that the high-demand fields identified by the ((board)) office may differ in different regions of the state.
- (3) The ((board)) office may award grants to eligible institutions of higher education that cover both student wages and program administration.
- 25 (4) The ((<del>board</del>)) <u>office</u> shall develop performance benchmarks 26 regarding program success including, but not limited to, the number of 27 students served, the amount of employer contributions, and the number 28 of participating high-demand employers.
- 29 **Sec. 145.** RCW 28B.12.060 and 2009 c 172 s 1 are each amended to 30 read as follows:
- The ((higher education coordinating board)) office of student financial assistance shall adopt rules as may be necessary or appropriate for effecting the provisions of this chapter, and not in conflict with this chapter, in accordance with the provisions of chapter 34.05 RCW, the ((state higher education)) administrative procedure act. Such rules shall include provisions designed to make

employment under the work-study program reasonably available, to the extent of available funds, to all eligible needy students in eligible postsecondary institutions. The rules shall include:

- (1) Providing work under the state work-study program that will not result in the displacement of employed workers or impair existing contracts for services;
  - (2) Furnishing work only to a student who:

- (a) Is capable, in the opinion of the eligible institution, of maintaining good standing in such course of study while employed under the program covered by the agreement; and
- (b) Has been accepted for enrollment as at least a half-time student at the eligible institution or, in the case of a student already enrolled in and attending the eligible institution, is in good standing and in at least half-time attendance there either as an undergraduate, graduate or professional student; and
  - (c) Is not pursuing a degree in theology;
  - (3) Placing priority on providing:
- (a) Work opportunities for students who are residents of the state of Washington as defined in RCW 28B.15.012 and 28B.15.013, particularly former foster youth as defined in RCW 28B.92.060;
- (b) Job placements in fields related to each student's academic or vocational pursuits, with an emphasis on off-campus job placements whenever appropriate; and
  - (c) Off-campus community service placements;
- (4) To the extent practicable, limiting the proportion of state subsidy expended upon nonresident students to fifteen percent, or such less amount as specified in the biennial appropriations act;
- (5) Provisions to assure that in the state institutions of higher education, utilization of this work-study program:
- (a) Shall only supplement and not supplant classified positions under jurisdiction of chapter 41.06 RCW;
- (b) That all positions established which are comparable shall be identified to a job classification under the director of personnel's classification plan and shall receive equal compensation;
- 35 (c) Shall not take place in any manner that would replace 36 classified positions reduced due to lack of funds or work; and
  - (d) That work study positions shall only be established at entry

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- level positions of the classified service unless the overall scope and 1 2 responsibilities of the position indicate a higher level; and
- 3 (6) Provisions to encourage job placements in high employer demand 4 occupations that meet Washington's economic development goals, including those in international trade and international relations. 5 The ((board)) office shall permit appropriate job placements in other 6 states and other countries.
- Sec. 146. RCW 28B.12.070 and 1994 c 130 s 7 are each amended to 8 9 read as follows:
- Each eligible institution shall submit to the ((higher education 10 11 coordinating board)) office of student financial assistance an annual 12 report in accordance with such requirements as are adopted by the 13 board.
- 14 **Sec. 147.** RCW 28B.15.012 and 2010 c 183 s 1 are each amended to read as follows: 15
- 16 Whenever used in this chapter:

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- (1) The term "institution" shall mean a public university, college, 17 or community college within the state of Washington. 18
  - (2) The term "resident student" shall mean:
  - (a) A financially independent student who has had a domicile in the state of Washington for the period of one year immediately prior to the time of commencement of the first day of the semester or quarter for which the student has registered at any institution and has in fact established a bona fide domicile in this state primarily for purposes other than educational;
  - (b) A dependent student, if one or both of the student's parents or legal guardians have maintained a bona fide domicile in the state of Washington for at least one year immediately prior to commencement of the semester or quarter for which the student has registered at any institution;
- (c) A student classified as a resident based upon domicile by an 31 32 institution on or before May 31, 1982, who was enrolled at a state institution during any term of the 1982-1983 academic year, so long as 33 34 such student's enrollment (excepting summer sessions) at an institution 35 in this state is continuous;

(d) Any student who has spent at least seventy-five percent of both his or her junior and senior years in high schools in this state, whose parents or legal guardians have been domiciled in the state for a period of at least one year within the five-year period before the student graduates from high school, and who enrolls in a public institution of higher education within six months of leaving high school, for as long as the student remains continuously enrolled for three quarters or two semesters in any calendar year;

- (e) Any person who has completed the full senior year of high school and obtained a high school diploma, both at a Washington public high school or private high school approved under chapter 28A.195 RCW, or a person who has received the equivalent of a diploma; who has lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent; who has continuously lived in the state of Washington after receiving the diploma or its equivalent and until such time as the individual is admitted to an institution of higher education under subsection (1) of this section; and who provides to the institution an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses;
- (f) Any person who has lived in Washington, primarily for purposes other than educational, for at least one year immediately before the date on which the person has enrolled in an institution, and who holds lawful nonimmigrant status pursuant to 8 U.S.C. Sec. (a)(15) (E)(iii), (H)(i), or (L), or who holds lawful nonimmigrant status as the spouse or child of a person having nonimmigrant status under one of those subsections, or who, holding or having previously held such lawful nonimmigrant status as a principal or derivative, has filed an application for adjustment of status pursuant to 8 U.S.C. Sec. 1255(a);
- (g) A student who is on active military duty stationed in the state or who is a member of the Washington national guard;
- (h) A student who is the spouse or a dependent of a person who is on active military duty stationed in the state. If the person on active military duty is reassigned out-of-state, the student maintains the status as a resident student so long as the student is continuously enrolled in a degree program;

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(i) A student who resides in the state of Washington and is the spouse or a dependent of a person who is a member of the Washington national guard;

- (j) A student of an out-of-state institution of higher education who is attending a Washington state institution of higher education pursuant to a home tuition agreement as described in RCW 28B.15.725;
- (k) A student who meets the requirements of RCW 28B.15.0131: PROVIDED, That a nonresident student enrolled for more than six hours per semester or quarter shall be considered as attending for primarily educational purposes, and for tuition and fee paying purposes only such period of enrollment shall not be counted toward the establishment of a bona fide domicile of one year in this state unless such student proves that the student has in fact established a bona fide domicile in this state primarily for purposes other than educational;
- (1) A student who resides in Washington and is on active military duty stationed in the Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington; or
- (m) A student who resides in Washington and is the spouse or a dependent of a person who resides in Washington and is on active military duty stationed in the Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington. If the person on active military duty moves from Washington or is reassigned out of the Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington, the student maintains the status as a resident student so long as the student resides in Washington and is continuously enrolled in a degree program.
- (3) The term "nonresident student" shall mean any student who does not qualify as a "resident student" under the provisions of this section and RCW 28B.15.013. Except for students qualifying under subsection (2)(e) or (j) of this section, a nonresident student shall include:
- (a) A student attending an institution with the aid of financial assistance provided by another state or governmental unit or agency thereof, such nonresidency continuing for one year after the completion of such semester or quarter.

- (b) A person who is not a citizen of the United States of America who does not have permanent or temporary resident status or does not hold "Refugee-Parolee" or "Conditional Entrant" status with the United States ((citizen and)) citizenship immigration services or is not otherwise permanently residing in the United States under color of law and who does not also meet and comply with all the applicable requirements in this section and RCW 28B.15.013.
- (4) The term "domicile" shall denote a person's true, fixed and permanent home and place of habitation. It is the place where the student intends to remain, and to which the student expects to return when the student leaves without intending to establish a new domicile elsewhere. The burden of proof that a student, parent or guardian has established a domicile in the state of Washington primarily for purposes other than educational lies with the student.
- (5) The term "dependent" shall mean a person who is not financially independent. Factors to be considered in determining whether a person is financially independent shall be set forth in rules ((and regulations)) adopted by the ((higher education coordinating board)) office of financial management and shall include, but not be limited to, the state and federal income tax returns of the person and/or the student's parents or legal guardian filed for the calendar year prior to the year in which application is made and such other evidence as the board may require.
- (6) The term "active military duty" means the person is serving on active duty in:
  - (a) The armed forces of the United States government; or
  - (b) The Washington national guard; or

- (c) The coast guard, merchant mariners, or other nonmilitary organization when such service is recognized by the United States government as equivalent to service in the armed forces.
  - Sec. 148. RCW 28B.15.013 and 1989 c 175 s 79 are each amended to read as follows:
    - (1) The establishment of a new domicile in the state of Washington by a person formerly domiciled in another state has occurred if such person is physically present in Washington primarily for purposes other than educational and can show satisfactory proof that such person is

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without a present intention to return to such other state or to acquire a domicile at some other place outside of Washington.

- (2) Unless proven to the contrary it shall be presumed that:
- (a) The domicile of any person shall be determined according to the individual's situation and circumstances rather than by marital status or sex.
- (b) A person does not lose a domicile in the state of Washington by reason of residency in any state or country while a member of the civil or military service of this state or of the United States, nor while engaged in the navigation of the waters of this state or of the United States or of the high seas if that person returns to the state of Washington within one year of discharge from said service with the intent to be domiciled in the state of Washington; any resident dependent student who remains in this state when such student's parents, having theretofore been domiciled in this state for a period of one year immediately prior to the time of commencement of the first day of the semester or quarter for which the student has registered at any institution, remove from this state, shall be entitled to continued classification as a resident student so long as such student's attendance (except summer sessions) at an institution in this state is continuous.
- (3) To aid the institution in deciding whether a student, parent, legally appointed guardian or the person having legal custody of a student is domiciled in the state of Washington primarily for purposes other than educational, the rules and regulations adopted by the ((higher education coordinating board)) office of financial management shall include but not be limited to the following:
- (a) Registration or payment of Washington taxes or fees on a motor vehicle, mobile home, travel trailer, boat, or any other item of personal property owned or used by the person for which state registration or the payment of a state tax or fee is required will be a factor in considering evidence of the establishment of a Washington domicile.
- (b) Permanent full time employment in Washington by a person will be a factor in considering the establishment of a Washington domicile.
- 36 (c) Registration to vote for state officials in Washington will be 37 a factor in considering the establishment of a Washington domicile.

- (4) After a student has registered at an institution such student's 1 2 classification shall remain unchanged in the absence of satisfactory 3 evidence to the contrary. A student wishing to apply for a change in classification shall reduce such evidence to writing and file it with 4 5 the institution. In any case involving an application for a change from nonresident to resident status, the burden of proof shall rest 6 7 with the applicant. Any change in classification, either nonresident to resident, or the reverse, shall be based upon written evidence 8 maintained in the files of the institution and, if approved, shall take 9 10 effect the semester or quarter such evidence was filed with the institution: PROVIDED, That applications for 11 а change 12 classification shall be accepted up to the thirtieth calendar day 13 following the first day of instruction of the quarter or semester for 14 which application is made.
- 15 **Sec. 149.** RCW 28B.15.015 and 1985 c 370 s 64 are each amended to read as follows:

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- The ((higher education coordinating board, upon consideration of advice from representatives of the)) state's institutions, with the advice of the attorney general, shall adopt rules and regulations to be used by the state's institutions for determining a student's resident and nonresident status and for recovery of fees for improper classification of residency.
- Sec. 150. RCW 28B.15.100 and 2003 c 232 s 6 are each amended to read as follows:
  - (1) The governing boards of the state universities, the regional universities, The Evergreen State College, and the community colleges shall charge to and collect from each of the students registering at the particular institution for any quarter or semester such tuition fees and services and activities fees, and other fees as such board shall in its discretion determine. The total of all fees shall be rounded to the nearest whole dollar amount: PROVIDED, That such tuition fees shall be established in accordance with RCW 28B.15.067.
  - (2) Part-time students shall be charged tuition and services and activities fees proportionate to full-time student rates established for residents and nonresidents: PROVIDED, That except for students registered at community colleges, students registered for fewer than

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- two credit hours shall be charged tuition and services and activities 1 2 fees at the rate established for two credit hours: PROVIDED FURTHER, That, subject to the limitations of RCW 28B.15.910, residents of Idaho 3 4 or Oregon who are enrolled in community college district number twenty 5 for six or fewer credits during any quarter or semester may be exempted from payment of all or a portion of the nonresident tuition fees 6 7 differential upon a declaration by the ((higher education coordinating 8 board)) office of financial management that it finds Washington 9 residents community college district from the are afforded 10 substantially equivalent treatment by such other states.
  - (3) Full-time students registered for more than eighteen credit hours shall be charged an additional operating fee for each credit hour in excess of eighteen hours at the applicable established per credit hour tuition fee rate for part-time students: PROVIDED, That, subject to the limitations of RCW 28B.15.910, the governing boards of the state universities and the community colleges may exempt all or a portion of the additional charge, for students who are registered exclusively in first professional programs in medicine, dental medicine, veterinary medicine, doctor of pharmacy, or law, or who are registered exclusively in required courses in vocational preparatory programs.
- 21 **Sec. 151.** RCW 28B.15.543 and 2004 c 275 s 49 are each amended to 22 read as follows:
  - (1) Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community colleges shall waive tuition and service and activities fees for students named by the ((higher education coordinating board)) office of student financial assistance on or before June 30, 1994, as recipients of the Washington scholars award under RCW 28A.600.100 through 28A.600.150. The waivers shall be used only for undergraduate studies. To qualify for the waiver, recipients shall enter the college or university within three years of high school graduation and maintain a minimum grade point average at the college or university equivalent to 3.30. Students shall be eligible to receive a maximum of twelve quarters or eight semesters of waivers and may transfer among state-supported institutions of higher education during that period and continue to have the tuition and services and activities fees waived by the state-supported institution

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of higher education that the student attends. Should the student's cumulative grade point average fall below 3.30 during the first three quarters or two semesters, that student may petition the ((higher education coordinating board)) office of student financial assistance which shall have the authority to establish a probationary period until such time as the student's grade point average meets required standards.

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(2) Students named by the ((higher education coordinating board)) office of student financial assistance after June 30, 1994, as recipients of the Washington scholars award under RCW 28A.600.100 through 28A.600.150 shall be eligible to receive a grant for undergraduate course work as authorized under RCW 28B.76.660.

13 **Sec. 152.** RCW 28B.15.732 and 1985 c 370 s 70 are each amended to 14 read as follows:

Prior to January 1st of each odd-numbered year the ((higher education coordinating board, in cooperation with the state board for community college education, and)) office of financial management, in consultation with appropriate agencies and officials in the state of Oregon, shall determine for the purposes of RCW 28B.15.730 the number of students for whom nonresident tuition and fees have been waived for the first academic year of the biennium and the fall term of the second academic year, and make an estimate of the number of such students for the remainder of the second academic year, and the difference between the aggregate amount of tuition and fees that would have been paid to the respective states by residents of the other state had such waivers not been made, and the aggregate amount of tuition and fees paid by residents of the other state. Should the ((board)) office of financial management determine that the state of Oregon has experienced a greater net tuition and fee revenue loss than institutions in Washington, it shall pay from funds appropriated for this purpose to the appropriate agency or institutions in Oregon an amount determined by subtracting the net tuition and fee revenue loss of Washington from the net tuition and fee revenue loss of Oregon, minus twenty-five thousand dollars for each year of the biennium: PROVIDED, That appropriate officials in the state of Oregon agree to make similar restitution to the state of Washington should the net tuition and fee revenue loss in Washington be greater than that in Oregon.

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1 **Sec. 153.** RCW 28B.15.752 and 1985 c 370 s 74 are each amended to 2 read as follows:

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Prior to January 1st of each odd-numbered year, the ((higher education coordinating board, in cooperation with the state board for community college education and)) office of financial management in consultation with appropriate agencies and officials in the state of Idaho, shall determine for the purposes of RCW 28B.15.750 the number of students for whom nonresident tuition and fees have been waived for the first academic year of the biennium and the fall term of the second academic year, and make an estimate of the number of such students for the remainder of the second academic year, and the difference between the aggregate amount of tuition and fees that would have been paid to the respective states by residents of the other state had such waivers not been made, and the aggregate amount of tuition and fees paid by residents of the other state. Should the ((board)) office of financial management determine that the state of Idaho has experienced a greater net tuition and fee revenue loss than institutions in Washington, it shall pay from funds appropriated for this purpose to the appropriate agency or institution in Idaho an amount determined by subtracting the net tuition and fee revenue loss of Washington from the net tuition and fee revenue loss of Idaho, minus twenty-five thousand dollars for each year of the biennium if the appropriate officials in the state of Idaho agree to make similar restitution to the state of Washington should the net tuition and fee revenue loss in Washington be greater than that in Idaho.

Sec. 154. RCW 28B.15.760 and 2004 c 275 s 65 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 28B.15.762 and 28B.15.764.

- (1) "Institution of higher education" or "institution" means a college or university in the state of Washington which is a member institution of an accrediting association recognized as such by rule of the ((higher education coordinating board)) office of financial management.
  - (2) (("Board" means the higher education coordinating board.
- (3)) "Eligible student" means a student registered for at least ten credit hours or the equivalent and demonstrates achievement of a

- 3.00 grade point average for each academic year, who is a resident student as defined by RCW 28B.15.012 through 28B.15.015, who is a "needy student" as defined in RCW 28B.92.030, and who has a declared major in a program leading to a degree in teacher education in a field of science or mathematics, or a certificated teacher who meets the same credit hour and "needy student" requirements and is seeking an additional degree in science or mathematics.
  - (3) "Office" means the office of student financial assistance.
- 9 (4) "Public school" means a middle school, junior high school, or 10 high school within the public school system referred to in Article IX 11 of the state Constitution.
  - (5) "Forgiven" or "to forgive" means to collect service as a teacher in a field of science or mathematics at a public school in the state of Washington in lieu of monetary payment.
    - (6) "Satisfied" means paid-in-full.

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- 16 (7) "Borrower" means an eligible student who has received a loan under RCW 28B.15.762.
- 18 **Sec. 155.** RCW 28B.15.762 and 1996 c 107 s 2 are each amended to read as follows:
  - (1) The ((board)) office may make long-term loans to eligible students at institutions of higher education from the appropriated to the ((board)) office for this purpose. The amount of any such loan shall not exceed the demonstrated financial need of the student or two thousand five hundred dollars for each academic year whichever is less, and the total amount of such loans to an eligible student shall not exceed ten thousand dollars. The interest rates and terms of deferral of such loans shall be consistent with the terms of the guaranteed loan program established by 20 U.S.C. Sec. 1701 et seq. The period for repaying the loan principal and interest shall be ten years with payments accruing quarterly commencing nine months from the date the borrower graduated. The entire principal and interest of each loan payment shall be forgiven for each payment period in which the borrower teaches science or mathematics in a public school in this state until the entire loan is satisfied or the borrower ceases to teach science or mathematics at a public school in this state. Should the borrower cease to teach science or mathematics at a public school in this state before the time in which the principal and interest on

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the loan are satisfied, payments on the unsatisfied portion of the principal and interest on the loan shall begin the next payment period and continue until the remainder of the loan is paid.

- (2) The ((board)) office is responsible for collection of loans made under subsection (1) of this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Collection and servicing of loans under subsection (1) of this section shall be pursued using the full extent of the law, including wage garnishment if necessary, and shall be performed by entities approved for such servicing by the Washington student loan guaranty association or its successor agency. The board is responsible to forgive all or parts of such loans under the criteria established in subsection (1) of this section and shall maintain all necessary records of forgiven payments.
- (3) Receipts from the payment of principal or interest or any other subsidies to which the board as lender is entitled, which are paid by or on behalf of borrowers under subsection (1) of this section, shall be deposited with the ((higher education coordinating board)) office and shall be used to cover the costs of making the loans under subsection (1) of this section, maintaining necessary records, and making collections under subsection (2) of this section. The ((board)) office shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to make loans to eligible students.
- (4) Any funds not used to make loans, or to cover the cost of making loans or making collections, shall be placed in the state educational trust fund for needy or disadvantaged students.
- 28 (5) The ((<del>board</del>)) <u>office</u> shall adopt necessary rules to implement 29 this section.
- **Sec. 156.** RCW 28B.50.030 and 2009 c 353 s 1, 2009 c 151 s 3, and 2009 c 64 s 3 are each reenacted and amended to read as follows:
  - The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
    - (1) "Adult education" means all education or instruction, including academic, vocational education or training, basic skills and literacy training, and "occupational education" provided by public educational institutions, including common school districts for persons who are

eighteen years of age and over or who hold a high school diploma or 1 2 However, "adult education" shall not include academic 3 education or instruction for persons under twenty-one years of age who 4 do not hold a high school degree or diploma and who are attending a 5 public high school for the sole purpose of obtaining a high school diploma or certificate, nor shall "adult education" include education 6 7 or instruction provided by any four-year public institution of higher 8 education.

(2) "Applied baccalaureate degree" means a baccalaureate degree awarded by a college under RCW 28B.50.810 for successful completion of a program of study that is:

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- (a) Specifically designed for individuals who hold an associate of applied science degree, or its equivalent, in order to maximize application of their technical course credits toward the baccalaureate degree; and
- 16 (b) Based on a curriculum that incorporates both theoretical and 17 applied knowledge and skills in a specific technical field.
  - (3) "Board" means the workforce training and education coordinating board.
    - (4) "Board of trustees" means the local community and technical college board of trustees established for each college district within the state.
    - (5) "Center of excellence" means a community or technical college designated by the college board as a statewide leader in industry-specific, community and technical college workforce education and training.
    - (6) "College board" means the state board for community and technical colleges created by this chapter.
- 29 (7) "Common school board" means a public school district board of directors.
- 31 (8) "Community college" includes those higher education 32 institutions that conduct education programs under RCW 28B.50.020.
  - (9) "Director" means the administrative director for the state system of community and technical colleges.
  - (10) "Dislocated forest product worker" means a forest products worker who: (a)(i) Has been terminated or received notice of termination from employment and is unlikely to return to employment in the individual's principal occupation or previous industry because of

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a diminishing demand for his or her skills in that occupation or industry; or (ii) is self-employed and has been displaced from his or her business because of the diminishing demand for the business' services or goods; and (b) at the time of last separation from employment, resided in or was employed in a rural natural resources impact area.

- (11) "Dislocated salmon fishing worker" means a finfish products worker who: (a)(i) Has been terminated or received notice of termination from employment and is unlikely to return to employment in the individual's principal occupation or previous industry because of a diminishing demand for his or her skills in that occupation or industry; or (ii) is self-employed and has been displaced from his or her business because of the diminishing demand for the business's services or goods; and (b) at the time of last separation from employment, resided in or was employed in a rural natural resources impact area.
- 17 (12) "District" means any one of the community and technical college districts created by this chapter.
  - (13) "Forest products worker" means a worker in the forest products industries affected by the reduction of forest fiber enhancement, transportation, or production. The workers included within this definition shall be determined by the employment security department, but shall include workers employed in the industries assigned the major group standard industrial classification codes "24" and "26" and the industries involved in the harvesting and management of logs, transportation of logs and wood products, processing of wood products, and the manufacturing and distribution of wood processing and logging equipment. The commissioner may adopt rules further interpreting these definitions. For the purposes of this subsection, "standard industrial classification code" means the code identified in RCW 50.29.025(3).
  - (14) "High employer demand program of study" means an apprenticeship, or an undergraduate or graduate certificate or degree program in which the number of students prepared for employment per year from in-state institutions is substantially less than the number of projected job openings per year in that field, statewide or in a substate region.
- 37 (15) "K-12 system" means the public school program including 38 kindergarten through the twelfth grade.

- (16) "Occupational education" means education or training that will prepare a student for employment that does not require a baccalaureate degree, and education and training that will prepare a student for transfer to bachelor's degrees in professional fields, subject to rules adopted by the college board.
  - (17) "Qualified institutions of higher education" means:
  - (a) Washington public community and technical colleges;

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- (b) Private career schools that are members of an accrediting association recognized by rule of the ((higher education coordinating board)) office of financial management for the purposes of chapter 28B.92 RCW; and
- 12 (c) Washington state apprenticeship and training council-approved 13 apprenticeship programs.
  - (18) "Rural natural resources impact area" means:
- 15 (a) A nonmetropolitan county, as defined by the 1990 decennial 16 census, that meets three of the five criteria set forth in subsection 17 (19) of this section;
  - (b) A nonmetropolitan county with a population of less than forty thousand in the 1990 decennial census, that meets two of the five criteria as set forth in subsection (19) of this section; or
  - (c) A nonurbanized area, as defined by the 1990 decennial census, that is located in a metropolitan county that meets three of the five criteria set forth in subsection (19) of this section.
  - (19) For the purposes of designating rural natural resources impact areas, the following criteria shall be considered:
    - (a) A lumber and wood products employment location quotient at or above the state average;
  - (b) A commercial salmon fishing employment location quotient at or above the state average;
  - (c) Projected or actual direct lumber and wood products job losses of one hundred positions or more;
    - (d) Projected or actual direct commercial salmon fishing job losses of one hundred positions or more; and
  - (e) An unemployment rate twenty percent or more above the state average. The counties that meet these criteria shall be determined by the employment security department for the most recent year for which data is available. For the purposes of administration of programs under this chapter, the United States post office five-digit zip code

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delivery areas will be used to determine residence status for eligibility purposes. For the purpose of this definition, a zip code delivery area of which any part is ten miles or more from an urbanized area is considered nonurbanized. A zip code totally surrounded by zip codes qualifying as nonurbanized under this definition is also considered nonurbanized. The office of financial management shall make available a zip code listing of the areas to all agencies and organizations providing services under this chapter.

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- (20) "Salmon fishing worker" means a worker in the finfish industry affected by 1994 or future salmon disasters. The workers included within this definition shall be determined by the employment security department, but shall include workers employed in the industries involved in the commercial and recreational harvesting of finfish including buying and processing finfish. The commissioner may adopt rules further interpreting these definitions.
- 16 (21) "System" means the state system of community and technical colleges, which shall be a system of higher education.
- (22) 18 "Technical college" includes those higher education 19 institutions with the mission of conducting occupational education, 20 basic skills, literacy programs, and offering on short notice, when 21 appropriate, programs that meet specific industry needs. For purposes 22 of this chapter, technical colleges shall include Lake Washington 23 Vocational-Technical Institute, Renton Vocational-Technical Institute, 24 Bates Vocational-Technical Institute, Clover Park Vocational Institute, and Bellingham Vocational-Technical Institute. 25
- 26 **Sec. 157.** RCW 28B.50.272 and 2007 c 277 s 102 are each amended to read as follows:
  - (1) To be eligible for participation in the opportunity grant program established in RCW 28B.50.271, a student must:
- 30 (a) Be a Washington resident student as defined in RCW 28B.15.012 31 enrolled in an opportunity grant-eligible program of study;
  - (b) Have a family income that is at or below two hundred percent of the federal poverty level using the most current guidelines available from the United States department of health and human services, and be determined to have financial need based on the free application for federal student aid; and

(c) Meet such additional selection criteria as the college board shall establish in order to operate the program within appropriated funding levels.

- (2) Upon enrolling, the student must provide evidence of commitment to complete the program. The student must make satisfactory progress and maintain a cumulative 2.0 grade point average for continued eligibility. If a student's cumulative grade point average falls below 2.0, the student may petition the institution of higher education of attendance. The qualified institution of higher education has the authority to establish a probationary period until such time as the student's grade point average reaches required standards.
- (3) Subject to funds appropriated for this specific purpose, public qualified institutions of higher education shall receive an enhancement of one thousand five hundred dollars for each full-time equivalent student enrolled in the opportunity grant program whose income is below two hundred percent of the federal poverty level. The funds shall be used for individualized support services which may include, but are not limited to, college and career advising, tutoring, emergency child care, and emergency transportation. The qualified institution of higher education is expected to help students access all financial resources and support services available to them through alternative sources.
- (4) The college board shall be accountable for student retention and completion of opportunity grant-eligible programs of study. It shall set annual performance measures and targets and monitor the performance at all qualified institutions of higher education. The college board must reduce funding at institutions of higher education that do not meet targets for two consecutive years, based on criteria developed by the college board.
- (5) The college board and ((higher education coordinating board)) office of student financial assistance shall work together to ensure that students participating in the opportunity grant program are informed of all other state and federal financial aid to which they may be entitled while receiving an opportunity grant.
- (6) The college board and ((higher education coordinating board)) office of student financial assistance shall document the amount of opportunity grant assistance and the types and amounts of other sources

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of financial aid received by participating students. Annually, they shall produce a summary of the data.

(7) The college board shall:

- (a) Begin developing the program no later than August 1, 2007, with student enrollment to begin no later than January 14, 2008; and
- 6 (b) Submit a progress report to the legislature by December 1, 2008.
  - (8) The college board may, in implementing the opportunity grant program, accept, use, and expend or dispose of contributions of money, services, and property. All such moneys received by the college board for the program must be deposited in an account at a depository approved by the state treasurer. Only the college board or a duly authorized representative thereof may authorize expenditures from this account. In order to maintain an effective expenditure and revenue control, the account is subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditure of moneys in the account.
- **Sec. 158.** RCW 28B.92.020 and 2003 c 19 s 11 are each amended to 19 read as follows:
  - (1) The legislature finds that the ((higher education coordinating board, in consultation with the)) higher education community, has completed a review of the state need grant program. It is the intent of the legislature to endorse the ((board's)) proposed changes to the state need grant program, including:
  - (a) Reaffirmation that the primary purpose of the state need grant program is to assist low-income, needy, and disadvantaged Washington residents attending institutions of higher education;
  - (b) A goal that the base state need grant amount over time be increased to be equivalent to the rate of tuition charged to resident undergraduate students attending Washington state public colleges and universities;
- 32 (c) State need grant recipients be required to contribute a portion 33 of the total cost of their education through self-help;
- (d) State need grant recipients be required to document their need for dependent care assistance after taking into account other public funds provided for like purposes; and

- (e) Institutional aid administrators be allowed to determine whether a student eligible for a state need grant in a given academic year may remain eligible for the ensuing year if the student's family income increases by no more than a marginal amount except for funds provided through the educational assistance grant program for students with dependents.
- (2) The legislature further finds that the ((higher education coordinating board, under its authority to implement the proposed)) changes in subsection (1) of this section, should do so in a timely manner.
  - (3) The legislature also finds that:
- (a) In most circumstances, need grant eligibility should not extend beyond five years or one hundred twenty-five percent of the published length of the program in which the student is enrolled or the credit or clock-hour equivalent; and
- 16 (b) State financial aid programs should continue to adhere to the 17 principle that funding follows resident students to their choice of 18 institution of higher education.
- **Sec. 159.** RCW 28B.92.030 and 2009 c 238 s 7 and 2009 c 215 s 5 are 20 each reenacted and amended to read as follows:

As used in this chapter:

- (1) (("Board" means the higher education coordinating board.
- (2)) "Disadvantaged student" means a ((post high)) posthigh school student who by reason of adverse cultural, educational, environmental, experiential, familial or other circumstances is unable to qualify for enrollment as a full-time student in an institution of higher education, who would otherwise qualify as a needy student, and who is attending an institution of higher education under an established program designed to qualify the student for enrollment as a full-time student.
- $((\frac{3}{3}))$  (2) "Financial aid" means loans and/or grants to needy students enrolled or accepted for enrollment as a student at institutions of higher education.
- $((\frac{4}{}))$  (3) "Institution" or "institutions of higher education" 35 means:
  - (a) Any public university, college, community college, or technical

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college operated by the state of Washington or any political subdivision thereof; or

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- (b) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an accrediting association recognized by rule of the board for the purposes of this section: PROVIDED, That any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of any such accrediting association, or a branch of a member institution of an accrediting association recognized by rule of the board for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent PROVIDED FURTHER, That no institution of higher education shall be eligible to participate in a student financial aid program unless it agrees to and complies with program rules and regulations adopted pursuant to RCW 28B.92.150.
- $((\frac{5}{}))$  (4) "Needy student" means a  $(\frac{5}{})$  posthigh school student of an institution of higher education who demonstrates to the board the financial inability, either through the student's parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter. "Needy student" also means an opportunity internship graduate as defined by RCW 28C.18.162 who enrolls in a postsecondary program of study as defined in RCW 28C.18.162 within one year of high school graduation.
  - (5) "Office" means the office of student financial assistance.
- (6) "Placebound student" means a student who (a) is unable to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors; and (b) may be influenced by the receipt of an enhanced student financial aid award to complete a baccalaureate degree at an eligible institution.
- 35 **Sec. 160.** RCW 28B.92.040 and 2004 c 275 s 36 are each amended to read as follows:

The ((board)) office shall be cognizant of the following guidelines in the performance of its duties:

- (1) The ((board)) office shall be research oriented, not only at its inception but continually through its existence.
  - (2) The ((board)) office shall coordinate all existing programs of financial aid except those specifically dedicated to a particular institution by the donor.
  - (3) The ((board)) office shall take the initiative and responsibility for coordinating all federal student financial aid programs to ensure that the state recognizes the maximum potential effect of these programs, and shall design state programs that complement existing federal, state, and institutional programs. The ((board)) office shall ensure that state programs continue to follow the principle that state financial aid funding follows the student to the student's choice of institution of higher education.
  - (4) Counseling is a paramount function of the state need grant and other state student financial aid programs, and in most cases could only be properly implemented at the institutional levels; therefore, state student financial aid programs shall be concerned with the attainment of those goals which, in the judgment of the ((board)) office, are the reasons for the existence of a student financial aid program, and not solely with administration of the program on an individual basis.
- (5) The "package" approach of combining loans, grants and employment for student financial aid shall be the conceptual element of the state's involvement.
- (6) The ((board)) office shall ensure that allocations of state appropriations for financial aid are made to individuals and institutions in a timely manner and shall closely monitor expenditures to avoid under or overexpenditure of appropriated funds.
- **Sec. 161.** RCW 28B.92.050 and 1999 c 345 s 4 are each amended to 32 read as follows:
- The ((board)) office shall have the following powers and duties:
- 34 (1) Conduct a full analysis of student financial aid as a means of:
- 35 (a) Fulfilling educational aspirations of students of the state of 36 Washington, and

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1 (b) Improving the general, social, cultural, and economic character 2 of the state.

Such an analysis will be a continuous one and will yield current information relevant to needed improvements in the state program of student financial aid. The ((board)) office will disseminate the information yielded by their analyses to all appropriate individuals and agents.

- (2) Design a state program of student financial aid based on the data of the study referred to in this section. The state programs will supplement available federal and local aid programs. The state programs of student financial aid will not exceed the difference between the budgetary costs of attending an institution of higher education and the student's total resources, including family support, personal savings, employment, and federal, state, and local aid programs.
- (3) Determine and establish criteria for financial need of the individual applicant based upon the consideration of that particular applicant. In making this determination the ((board)) office shall consider the following:
  - (a) Assets and income of the student.

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- 21 (b) Assets and income of the parents, or the individuals legally 22 responsible for the care and maintenance of the student.
- 23 (c) The cost of attending the institution the student is attending 24 or planning to attend.
  - (d) Any other criteria deemed relevant to the ((board)) office.
- 26 (4) Set the amount of financial aid to be awarded to any individual 27 needy or disadvantaged student in any school year.
  - (5) Award financial aid to needy or disadvantaged students for a school year based upon only that amount necessary to fill the financial gap between the budgetary cost of attending an institution of higher education and the family and student contribution.
- 32 (6) Review the need and eligibility of all applications on an 33 annual basis and adjust financial aid to reflect changes in the 34 financial need of the recipients and the cost of attending the 35 institution of higher education.
- 36 **Sec. 162.** RCW 28B.92.060 and 2009 c 215 s 4 are each amended to read as follows:

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

- (1) The ((board)) office shall annually select the financial aid award recipients from among Washington residents applying for student financial aid who have been ranked according to:
- (a) Financial need as determined by the amount of the family contribution; and
- (b) Other considerations, such as whether the student is a former foster youth, or is a placebound student who has completed an associate of arts or associate of science degree or its equivalent.
- (2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are declined, forfeited or otherwise unused shall be reawarded until disbursed, except that eligible former foster youth shall be assured receipt of a grant.
- (3) A student shall be eligible to receive a state need grant for up to five years, or the credit or clock hour equivalent of five years, or up to one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. Qualifications for renewal will include maintaining satisfactory academic progress toward completion of an eligible program as determined by the ((board)) office. Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds, except as provided in RCW 28B.92.070.
- (4) In computing financial need, the ((board)) office shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions plus the current average state appropriation per student

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for operating expense in the public institutions. Any child support payments received by students who are parents attending less than half-time shall not be used in computing financial need.

- (5)(a) A student who is enrolled in three to six credit-bearing quarter credits, or the equivalent semester credits, may receive a grant for up to one academic year before beginning a program that leads to a degree or certificate.
- (b) An eligible student enrolled on a less-than-full-time basis shall receive a prorated portion of his or her state need grant for any academic period in which he or she is enrolled on a less-than-full-time basis, as long as funds are available.
- (c) An institution of higher education may award a state need grant to an eligible student enrolled in three to six credit-bearing quarter credits, or the semester equivalent, on a provisional basis if:
- 15 (i) The student has not previously received a state need grant from that institution;
  - (ii) The student completes the required free application for federal student aid;
    - (iii) The institution has reviewed the student's financial condition, and the financial condition of the student's family if the student is a dependent student, and has determined that the student is likely eligible for a state need grant; and
    - (iv) The student has signed a document attesting to the fact that the financial information provided on the free application for federal student aid and any additional financial information provided directly to the institution is accurate and complete, and that the student agrees to repay the institution for the grant amount if the student submitted false or incomplete information.
    - (6) As used in this section, "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the time he or she attained the age of eighteen.
- **Sec. 163.** RCW 28B.92.084 and 2009 c 238 s 8 are each amended to read as follows:
- 35 (1) The ((<del>board</del>)) <u>office</u> shall work with institutions of higher 36 education to assure that the institutions are aware of the eligibility 37 of opportunity internship graduates for an award under this chapter.

- (2) If an opportunity internship graduate enrolls within one year 1 2 of high school graduation in a postsecondary program of study in an institution of higher education, including in an apprenticeship program 3 with related and supplemental instruction provided through 4 5 institution of higher education, the graduate is eligible to receive a state need grant for up to one year. The graduate shall not be 6 7 required to be enrolled on at least a half-time basis. The related and 8 instruction provided to supplemental a graduate through 9 apprenticeship program shall not be required to lead to a degree or 10 certificate.
  - (3) Except for the eligibility criteria for an opportunity internship graduate that are provided under this section, other rules pertaining to award of a state need grant apply.

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- (4) Nothing in this section precludes an opportunity internship graduate from being eligible to receive additional state need grants after the one-year grant provided in this section if the graduate meets other criteria as a needy or disadvantaged student.
- 18 **Sec. 164.** RCW 28B.92.120 and 2004 c 275 s 41 are each amended to read as follows:
- Funds appropriated for student financial assistance to be granted pursuant to this chapter shall be disbursed as determined by the ((board)) office.
- 23 **Sec. 165.** RCW 28B.92.130 and 2004 c 275 s 42 are each amended to 24 read as follows:
- The ((board)) office shall be authorized to accept grants, gifts, bequests, and devises of real and personal property from any source for the purpose of granting financial aid in addition to that funded by the state.
- 29 **Sec. 166.** RCW 28B.92.140 and 1997 c 269 s 1 are each amended to 30 read as follows:
- The state educational trust fund is hereby established in the state treasury. The primary purpose of the trust is to pledge statewide available college student assistance to needy or disadvantaged students, especially middle and high school youth, considered at-risk of dropping out of secondary education who participate in

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((board-))approved early awareness and outreach programs and who enter
any accredited Washington institution of postsecondary education within
two years of high school graduation.

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The ((board)) office shall deposit refunds and recoveries of student financial aid funds expended in prior fiscal periods in such account. The ((board)) office may also deposit moneys that have been contributed from other state, federal, or private sources.

Expenditures from the fund shall be for financial aid to needy or disadvantaged students. The ((board)) office may annually expend such sums from the fund as may be necessary to fulfill the purposes of this section, including not more than three percent for the costs to administer aid programs supported by the fund. All earnings of investments of balances in the state educational trust fund shall be credited to the trust fund. Expenditures from the fund shall not be subject to appropriation but are subject to allotment procedures under chapter 43.88 RCW.

17 **Sec. 167.** RCW 28B.92.150 and 2004 c 275 s 43 are each amended to 18 read as follows:

The ((board)) office shall adopt rules as may be necessary or appropriate for effecting the provisions of this chapter, in accordance with the provisions of chapter 34.05 RCW, the administrative procedure act.

23 **Sec. 168.** RCW 28B.95.020 and 2007 c 405 s 8 are each amended to 24 read as follows:

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

- (1) "Academic year" means the regular nine-month, three-quarter, or two-semester period annually occurring between August 1st and July 31st.
- 30 (2) "Account" means the Washington advanced college tuition payment 31 program account established for the deposit of all money received by 32 the board from eligible purchasers and interest earnings on investments 33 of funds in the account, as well as for all expenditures on behalf of 34 eligible beneficiaries for the redemption of tuition units and for the 35 development of any authorized college savings program pursuant to RCW 36 28B.95.150.

(3) (("Board")) "Office" means the ((higher education coordinating board)) office of student financial assistance as defined in chapter 28B.76 RCW.

- (4) "Committee on advanced tuition payment" or "committee" means a committee of the following members: The state treasurer, the director of the office of financial management, the ((executive)) director of the ((higher education coordinating board)) office, or their designees, and two members to be appointed by the governor, one representing program participants and one private business representative with marketing, public relations, or financial expertise.
- (5) "Governing body" means the committee empowered by the legislature to administer the Washington advanced college tuition payment program.
- (6) "Contractual obligation" means a legally binding contract of the state with the purchaser and the beneficiary establishing that purchases of tuition units will be worth the same number of tuition units at the time of redemption as they were worth at the time of the purchase.
- (7) "Eligible beneficiary" means the person for whom the tuition unit will be redeemed for attendance at an institution of higher education. The beneficiary is that person named by the purchaser at the time that a tuition unit contract is accepted by the governing body. Qualified organizations, as allowed under section 529 of the federal internal revenue code, purchasing tuition unit contracts as future scholarships need not designate a beneficiary at the time of purchase.
- (8) "Eligible purchaser" means an individual or organization that has entered into a tuition unit contract with the governing body for the purchase of tuition units for an eligible beneficiary. The state of Washington may be an eligible purchaser for purposes of purchasing tuition units to be held for granting Washington college bound scholarships.
- (9) "Full-time tuition charges" means resident tuition charges at a state institution of higher education for enrollments between ten credits and eighteen credit hours per academic term.
- (10) "Institution of higher education" means an institution that offers education beyond the secondary level and is recognized by the

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1 internal revenue service under chapter 529 of the internal revenue 2 code.

- (11) "Investment board" means the state investment board as defined in chapter 43.33A RCW.
  - (12) "State institution of higher education" means institutions of higher education as defined in RCW 28B.10.016.
  - (13) "Tuition and fees" means undergraduate tuition and services and activities fees as defined in RCW 28B.15.020 and 28B.15.041 rounded to the nearest whole dollar. For purposes of this chapter, services and activities fees do not include fees charged for the payment of bonds heretofore or hereafter issued for, or other indebtedness incurred to pay, all or part of the cost of acquiring, constructing, or installing any lands, buildings, or facilities.
  - (14) "Tuition unit contract" means a contract between an eligible purchaser and the governing body, or a successor agency appointed for administration of this chapter, for the purchase of tuition units for a specified beneficiary that may be redeemed at a later date for an equal number of tuition units.
  - (15) "Unit purchase price" means the minimum cost to purchase one tuition unit for an eligible beneficiary. Generally, the minimum purchase price is one percent of the undergraduate tuition and fees for the current year, rounded to the nearest whole dollar, adjusted for the costs of administration and adjusted to ensure the actuarial soundness of the account. The analysis for price setting shall also include, but not be limited to consideration of past and projected patterns of tuition increases, program liability, past and projected investment returns, and the need for a prudent stabilization reserve.
- **Sec. 169.** RCW 28B.95.025 and 2000 c 14 s 2 are each amended to 29 read as follows:
  - The ((board)) office shall maintain appropriate offices and employ and fix compensation of such personnel as may be necessary to perform the advanced college tuition payment program duties. The ((board)) office shall consult with the governing body on the selection, compensation, and other issues relating to the employment of the program director. The positions are exempt from classified service under chapter 41.06 RCW. The employees shall be employees of the ((higher education coordinating board)) office.

**Sec. 170.** RCW 28B.95.030 and 2005 c 272 s 2 are each amended to read as follows:

- (1) The Washington advanced college tuition payment program shall be administered by the committee on advanced tuition payment which shall be chaired by the ((executive)) director of the ((board)) office. The committee shall be supported by staff of the ((board)) office.
- (2)(a) The Washington advanced college tuition payment program shall consist of the sale of tuition units, which may be redeemed by the beneficiary at a future date for an equal number of tuition units regardless of any increase in the price of tuition, that may have occurred in the interval.
- (b) Each purchase shall be worth a specific number of or fraction of tuition units at each state institution of higher education as determined by the governing body.
- (c) The number of tuition units necessary to pay for a full year's, full-time undergraduate tuition and fee charges at a state institution of higher education shall be set by the governing body at the time a purchaser enters into a tuition unit contract.
- (d) The governing body may limit the number of tuition units purchased by any one purchaser or on behalf of any one beneficiary, however, no limit may be imposed that is less than that necessary to achieve four years of full-time, undergraduate tuition charges at a state institution of higher education. The governing body also may, at its discretion, limit the number of participants, if needed, to ensure the actuarial soundness and integrity of the program.
- (e) While the Washington advanced college tuition payment program is designed to help all citizens of the state of Washington, the governing body may determine residency requirements for eligible purchasers and eligible beneficiaries to ensure the actuarial soundness and integrity of the program.
- (3)(a) No tuition unit may be redeemed until two years after the purchase of the unit. Units may be redeemed for enrollment at any institution of higher education that is recognized by the internal revenue service under chapter 529 of the internal revenue code.
- (b) Units redeemed at a nonstate institution of higher education or for graduate enrollment shall be redeemed at the rate for state public institutions in effect at the time of redemption.

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(4) The governing body shall determine the conditions under which the tuition benefit may be transferred to another family member. In permitting such transfers, the governing body may not allow the tuition benefit to be bought, sold, bartered, or otherwise exchanged for goods and services by either the beneficiary or the purchaser.

- (5) The governing body shall administer the Washington advanced college tuition payment program in a manner reasonably designed to be actuarially sound, such that the assets of the trust will be sufficient to defray the obligations of the trust including the costs of administration. The governing body may, at its discretion, discount the minimum purchase price for certain kinds of purchases such as those from families with young children, as long as the actuarial soundness of the account is not jeopardized.
- 14 (6) The governing body shall annually determine current value of a tuition unit.
  - (7) The governing body shall promote, advertise, and publicize the Washington advanced college tuition payment program.
  - (8) In addition to any other powers conferred by this chapter, the governing body may:
  - (a) Impose reasonable limits on the number of tuition units or units that may be used in any one year;
  - (b) Determine and set any time limits, if necessary, for the use of benefits under this chapter;
  - (c) Impose and collect administrative fees and charges in connection with any transaction under this chapter;
  - (d) Appoint and use advisory committees as needed to provide program direction and guidance;
  - (e) Formulate and adopt all other policies and rules necessary for the efficient administration of the program;
  - (f) Consider the addition of an advanced payment program for room and board contracts and also consider a college savings program;
  - (g) Purchase insurance from insurers licensed to do business in the state, to provide for coverage against any loss in connection with the account's property, assets, or activities or to further insure the value of the tuition units;
- 36 (h) Make, execute, and deliver contracts, conveyances, and other 37 instruments necessary to the exercise and discharge of its powers and 38 duties under this chapter;

(i) Contract for the provision for all or part of the services necessary for the management and operation of the program with other state or nonstate entities authorized to do business in the state;

- (j) Contract for other services or for goods needed by the governing body in the conduct of its business under this chapter;
- (k) Contract with financial consultants, actuaries, auditors, and other consultants as necessary to carry out its responsibilities under this chapter;
- (1) Solicit and accept cash donations and grants from any person, governmental agency, private business, or organization; and
- 11 (m) Perform all acts necessary and proper to carry out the duties 12 and responsibilities of this program under this chapter.

## **Sec. 171.** RCW 28B.95.040 and 1997 c 289 s 4 are each amended to 14 read as follows:

The governing body may, at its discretion, allow an organization to purchase tuition units for future use as scholarships. Such organizations electing to purchase tuition units for this purpose must enter into a contract with the governing body which, at a minimum, ensures that the scholarship shall be freely given by the purchaser to a scholarship recipient. For such purchases, the purchaser need not name a beneficiary until four months before the date when the tuition units are first expected to be used.

The governing body shall formulate and adopt such rules as are necessary to determine which organizations may qualify to purchase tuition units for scholarships under this section. The governing body also may consider additional rules for the use of tuition units if purchased as scholarships.

The governing body may establish a scholarship fund with moneys from the Washington advanced college tuition payment program account. A scholarship fund established under this authority shall be administered by the ((higher education coordinating board)) office and shall be provided to students who demonstrate financial need. Financial need is not a criterion that any other organization need consider when using tuition units as scholarships. The ((board)) office also may establish its own corporate-sponsored scholarship fund under this chapter.

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1 **Sec. 172.** RCW 28B.95.060 and 2007 c 214 s 13 are each amended to 2 read as follows:

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- (1) The Washington advanced college tuition payment program account is created in the custody of the state treasurer. The account shall be a discrete nontreasury account retaining its interest earnings in accordance with RCW 43.79A.040.
- (2)(a) Except as provided in (b) of this subsection, the governing body shall deposit in the account all money received for the program. The account shall be self-sustaining and consist of payments received from purchasers of tuition units and funds received from other sources, public or private. With the exception of investment and operating costs associated with the investment of money by the investment board paid under RCW 43.33A.160 and 43.84.160, the account shall be credited with all investment income earned by the account. Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW. Money used for program administration is subject to the allotment of all expenditures. However, an appropriation is not required for such expenditures. Program administration shall include, but not be limited to: The salaries and expenses of the program personnel including lease payments, travel, and goods and services necessary for program operation; contracts for program promotion and advertisement, audits, and account management; and other general costs of conducting the business of the program.
- (b) All money received by the program from the ((higher education coordinating board)) office for the GET ready for math and science scholarship program shall be deposited in the GET ready for math and science scholarship account created in RCW 28B.105.110.
- (3) The assets of the account may be spent without appropriation for the purpose of making payments to institutions of higher education on behalf of the qualified beneficiaries, making refunds, transfers, or direct payments upon the termination of the Washington advanced college tuition payment program. Disbursements from the account shall be made only on the authorization of the governing body.
- (4) With regard to the assets of the account, the state acts in a fiduciary, not ownership, capacity. Therefore the assets of the program are not considered state money, common cash, or revenue to the state.

1 **Sec. 173.** RCW 28B.95.160 and 2007 c 214 s 12 are each amended to read as follows:

Ownership of tuition units purchased by the ((higher education coordinating board)) office for the GET ready for math and science scholarship program under RCW 28B.105.070 shall be in the name of the state of Washington and may be redeemed by the state of Washington on behalf of recipients of GET ready for math and science scholarship program scholarships for tuition and fees.

- 9 **Sec. 174.** RCW 28B.97.010 and 2009 c 215 s 13 are each amended to read as follows:
- 11 (1) The Washington higher education loan program is created. The 12 program is created to assist students in need of additional low-cost 13 student loans and related loan benefits.
- 14 (2) The program shall be administered by the ((board)) office. In administering the program, the ((board)) office must:
- 16 (a) Periodically assess the needs and target the benefits to selected students;
- 18 (b) Devise a program to address the following issues related to 19 loans:
  - (i) Issuance of low-interest educational loans;
    - (ii) Determining loan repayment obligations and options;
- 22 (iii) Borrowing educational loans at low interest rates;
- 23 (iv) Developing conditional loans that can be forgiven in exchange 24 for service; and
- (v) Creating an emergency loan fund to help students until other state and federal long-term financing can be secured;
  - (c) Accept public and private contributions;
- 28 (d) Publicize the program; and

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- (e) Work with public and private colleges and universities, the state board for community and technical colleges, the workforce training and education coordinating board, and with students, to conduct periodic assessment of program needs. The ((board)) office may also consult with other groups and individuals as needed.
- 34 **Sec. 175.** RCW 28B.97.020 and 2009 c 215 s 14 are each amended to read as follows:

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

(1) (("Board" means the higher education coordinating board.

- (2)) "Institution of higher education" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the board.
  - (2) "Office" means the office of student financial assistance.
- (3) "Program" means the Washington higher education loan program.
- 9 (4) "Resident student" has the definition in RCW 28B.15.012(2) (a) through (d).
- **Sec. 176.** RCW 28B.102.020 and 2004 c 58 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Conditional scholarship" means a loan that is forgiven in whole or in part if the recipient renders service as a teacher in an approved education program in this state.
- (2) "Institution of higher education" or "institution" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the ((higher education coordinating board)) office of financial management.
- (3) (("Board")) "Office" means the ((higher education coordinating board)) office of student financial assistance.
  - (4) "Eligible student" means a student who is registered for at least six credit hours or the equivalent, demonstrates high academic achievement, is a resident student as defined by RCW 28B.15.012 and 28B.15.013, and has a declared intention to complete an approved preparation program leading to initial teacher certification or required for earning an additional endorsement, and commits to teaching service in the state of Washington.
  - (5) "Public school" means an elementary school, a middle school, junior high school, or high school within the public school system referred to in Article IX of the state Constitution.
- (6) "Forgiven" or "to forgive" or "forgiveness" means to render service as a teacher in an approved education program in the state of Washington in lieu of monetary repayment.
  - (7) "Satisfied" means paid-in-full.

- 1 (8) "Participant" means an eligible student who has received a conditional scholarship or loan repayment under this chapter.
  - (9) "Loan repayment" means a federal student loan that is repaid in whole or in part if the recipient renders service as a teacher in an approved education program in Washington state.
  - (10) "Approved education program" means an education program in the state of Washington for knowledge and skills generally learned in preschool through twelfth grade. Approved education programs may include but are not limited to:
    - (a) K-12 schools under Title 28A RCW; or

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- 11 (b) Other K-12 educational sites in the state of Washington as 12 designated by the board.
- 13 (11) "Equalization fee" means the additional amount added to the 14 principal of a loan under this chapter to equate the debt to that which 15 the student would have incurred if the loan had been received through 16 the federal subsidized Stafford student loan program.
- 17 (12) "Teacher shortage area" means a shortage of elementary or 18 secondary school teachers in a specific subject area, discipline, 19 classification, or geographic area as defined by the office of the 20 superintendent of public instruction.
- 21 **Sec. 177.** RCW 28B.102.030 and 2004 c 58 s 3 are each amended to 22 read as follows:
- 23 The future teachers conditional scholarship and loan repayment 24 program is established. The program shall be administered by the 25 ((higher education coordinating board)) office. In administering the 26 program, the board shall have the following powers and duties:
- 27 (1) Select students to receive conditional scholarships or loan 28 repayments;
  - (2) Adopt necessary rules and guidelines;
  - (3) Publicize the program;
- 31 (4) Collect and manage repayments from students who do not meet 32 their teaching obligations under this chapter; and
- 33 (5) Solicit and accept grants and donations from public and private 34 sources for the program.
- 35 **Sec. 178.** RCW 28B.102.040 and 2008 c 170 s 306 are each amended to read as follows:

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(1) The ((board)) office may select participants based on an application process conducted by the ((board)) office or the ((board)) office may utilize selection processes for similar students in cooperation with the professional educator standards board or the office of the superintendent of public instruction.

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- 6 (2) If the ((board)) office selects participants for the program, 7 it shall establish a selection committee for screening and selecting 8 recipients of the conditional scholarships. The criteria shall 9 emphasize factors demonstrating excellence including but not limited to 10 scholastic achievement, leadership ability, 11 contributions, bilingual ability, willingness to commit to providing 12 teaching service in shortage areas, and an ability to act as a role 13 model for students. Priority will be given to individuals seeking 14 certification or an additional endorsement in math, science, technology 15 education, agricultural education, business and marketing education, family and consumer science education, or special education. 16
- 17 **Sec. 179.** RCW 28B.102.050 and 2004 c 58 s 6 are each amended to 18 read as follows:
  - The ((board)) office may award conditional scholarships or provide loan repayments to eligible participants from the funds appropriated to the ((board)) office for this purpose, or from any private donations, or any other funds given to the ((board)) office for this program. amount of the conditional scholarship or loan repayment awarded an individual shall not exceed the amount of tuition and fees at the institution of higher education attended by the participant or resident undergraduate tuition and fees at the University of Washington per academic for а full-time student, whichever year Participants are eligible to receive conditional scholarships or loan repayments for a maximum of five years.
- 30 **Sec. 180.** RCW 28B.102.055 and 2004 c 58 s 8 are each amended to read as follows:
- 32 (1) Upon documentation of federal student loan indebtedness, the 33 ((board)) office may enter into agreements with participants to repay 34 all or part of a federal student loan in exchange for teaching service 35 in an approved educational program. The ratio of loan repayment to

years of teaching service for the loan repayment program shall be the same as established for the conditional scholarship program.

- (2) The agreement shall specify the period of time it is in effect and detail the obligations of the ((board)) office and the participant, including the amount to be paid to the participant. The agreement may also specify the geographic location and subject matter area of teaching service for which loan repayment will be provided.
- (3) At the end of each school year, a participant under this section shall provide evidence to the ((board)) office that the requisite teaching service has been provided. Upon receipt of the evidence, the ((board)) office shall pay the participant the agreedupon amount for one year of full-time teaching service or a prorated amount for less than full-time teaching service. To qualify for additional loan repayments, the participant must be engaged in continuous teaching service as defined by the ((board)) office.
- (4) The ((board)) office may, at its discretion, arrange to make the loan repayment directly to the holder of the participant's federal student loan.
- (5) The ((board's)) office's obligations to a participant under this section shall cease when:
  - (a) The terms of the agreement have been fulfilled;
- 22 (b) The participant fails to maintain continuous teaching service 23 as determined by the ((board)) office; or
  - (c) All of the participant's federal student loans have been repaid.
  - (6) The ((board)) office shall adopt rules governing loan repayments, including approved leaves of absence from continuous teaching service and other deferments as may be necessary.
- **Sec. 181.** RCW 28B.102.060 and 2004 c 58 s 7 are each amended to 30 read as follows:
  - (1) Participants in the conditional scholarship program incur an obligation to repay the conditional scholarship, with interest and an equalization fee, unless they teach for two years in an approved education program for each year of scholarship received, under rules adopted by the ((board)) office. Participants who teach in a designated teacher shortage area shall have one year of loan canceled for each year they teach in the shortage area.

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(2) The interest rate shall be determined annually by the ((board)) office. Participants who fail to complete the teaching service shall incur an equalization fee based on the remaining unforgiven balance of the loan. The equalization fee shall be added to the remaining balance and repaid by the participant.

- (3) The minimum payment shall be set by the ((board)) office. The maximum period for repayment shall be ten years, with payments of principal and interest accruing quarterly commencing six months from the date the participant completes or discontinues the course of study. Provisions for deferral of payment shall be determined by the ((board)) office.
- (4) The entire principal and interest of each payment shall be forgiven for each payment period in which the participant teaches in an approved education program until the entire repayment obligation is satisfied. Should the participant cease to teach in an approved education program in this state before the participant's repayment obligation is completed, payments on the unsatisfied portion of the principal and interest shall begin the next payment period and continue until the remainder of the participant's repayment obligation is satisfied.
- (5) The ((board)) office is responsible for collection of repayments made under this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Collection and servicing of repayments under this section shall be pursued using the full extent of the law, including wage garnishment if necessary. The ((board)) office is responsible to forgive all or parts of such repayments under the criteria established in this section and shall maintain all necessary records of forgiven payments.
- (6) Receipts from the payment of principal or interest or any other subsidies to which the ((board)) office as administrator is entitled, which are paid by or on behalf of participants under this section, shall be deposited in the future teachers conditional scholarship account and shall be used to cover the costs of granting the conditional scholarships, maintaining necessary records, and making collections under subsection (5) of this section. The ((board)) office shall maintain accurate records of these costs, and all receipts beyond

- those necessary to pay such costs shall be used to grant conditional scholarships to eligible students.
- 3 (7) The ((board)) office shall adopt rules to define the terms of repayment, including applicable interest rates, fees, and deferments.
- **Sec. 182.** RCW 28B.102.080 and 2010 1st sp.s. c 37 s 917 are each 6 amended to read as follows:

- (1) The future teachers conditional scholarship account is created in the custody of the state treasurer. An appropriation is not required for expenditures of funds from the account. The account is not subject to allotment procedures under chapter 43.88 RCW except for moneys used for program administration.
- (2) The ((board)) office shall deposit in the account all moneys received for the future teachers conditional scholarship and loan repayment program and for conditional loan programs under chapter 28A.660 RCW. The account shall be self-sustaining and consist of funds appropriated by the legislature for the future teachers conditional scholarship and loan repayment program, private contributions to the program, receipts from participant repayments from the future teachers conditional scholarship and loan repayment program, and conditional loan programs established under chapter 28A.660 RCW. Beginning July 1, 2004, the ((board)) office shall also deposit into the account: (a) All funds from the institution of higher education loan account that are traceable to any conditional scholarship program for teachers or prospective teachers established by the legislature before June 10, 2004; and (b) all amounts repaid by individuals under any such program.
- (3) Expenditures from the account may be used solely for conditional loans and loan repayments to participants in the future teachers conditional scholarship and loan repayment program established by this chapter, conditional scholarships for participants in programs established in chapter 28A.660 RCW, and costs associated with program administration by the ((board)) office.
- (4) Disbursements from the account may be made only on the authorization of the ((board)) office.
- (5) During the 2009-2011 fiscal biennium, the legislature may transfer from the future teachers conditional scholarship account to the state general fund such amounts as reflect the excess fund balance of the account.

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**Sec. 183.** RCW 28B.105.020 and 2007 c 214 s 2 are each amended to 2 read as follows:

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

- (1) (("Board" means the higher education coordinating board.
- (2)) "GET units" means tuition units under the advanced college tuition payment program in chapter 28B.95 RCW.
- $((\frac{3}{1}))$  (2) "Institution of higher education" has the same meaning as in RCW 28B.92.030.
  - (3) "Office" means the office of student financial assistance.
  - (4) "Program administrator" means the private nonprofit corporation that is registered under Title 24 RCW and qualified as a tax-exempt entity under section 501(c)(3) of the federal internal revenue code, that will serve as the private partner in the public-private partnership under this chapter.
  - (5) "Qualified program" or "qualified major" means a mathematics, science, or related degree program or major line of study offered by an institution of higher education that is included on the list of programs or majors selected by the board and the program administrator under RCW 28B.105.100.
- **Sec. 184.** RCW 28B.105.040 and 2007 c 214 s 4 are each amended to 22 read as follows:
  - (1) If the student enrolls in a qualified program or declares a qualified major and the program or major is subsequently removed from the list of qualified programs and qualified majors by the ((board)) office and the program administrator, the student's eligibility to receive a GET ready for math and science scholarship shall not be affected.
  - (2) If a student who received a GET ready for math and science scholarship ceases to be enrolled in an institution of higher education, withdraws or is no longer enrolled in a qualified program, declares a major that is not a qualified major, or otherwise is no longer eligible to receive a GET ready for math and science scholarship, the student shall notify the program administrator as soon as practicable and is not eligible for further GET ready for math and science scholarship awards. Such a student shall also repay the amount

- of the GET ready for math and science scholarship awarded to the student as required by RCW 28B.105.050.
- 3 **Sec. 185.** RCW 28B.105.050 and 2007 c 214 s 5 are each amended to 4 read as follows:
- 5 (1) A recipient of a GET ready for math and science scholarship 6 incurs an obligation to repay the scholarship, with interest and an 7 equalization fee, if he or she does not:
  - (a) Graduate with a bachelor's degree from a qualified program or in a qualified major within five years of first enrolling at an institution of higher education; and
    - (b) Work in Washington in a mathematics, science, or related occupation full time for at least three years following completion of a bachelor's degree, unless he or she is enrolled in a graduate degree program as provided in subsection (4) of this section.
    - (2) A former scholarship recipient who has earned a bachelor's degree shall annually verify to the ((board)) office that he or she is working full time in a mathematics, science, or related field for three years.
    - (3) If a former scholarship recipient begins but then stops working full time in a mathematics, science, or related field within three years following completion of a bachelor's degree, he or she shall pay back a prorated portion of the amount of the GET ready for math and science scholarship award received by the recipient, plus interest and a prorated equalization fee.
- 25 (4) A recipient may postpone for up to three years his or her in-26 state work obligation if he or she enrolls full time in a graduate 27 degree program in mathematics, science, or a related field.
- 28 **Sec. 186.** RCW 28B.105.070 and 2007 c 214 s 7 are each amended to read as follows:
- 30 The ((board)) office shall:

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- 31 (1) Purchase GET units to be owned and held in trust by the 32 ((board)) office, for the purpose of scholarship awards as provided for 33 in this section;
- 34 (2) Distribute scholarship funds, in the form of GET units or 35 through direct payments from the GET ready for math and science

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scholarship account, to institutions of higher education on behalf of eligible recipients identified by the program administrator;

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- (3) Provide the program administrator with annual reports regarding enrollment, contact, and graduation information of GET ready for math and science scholarship recipients, if the recipients have given permission for the ((board)) office to do so;
- (4) Collect repayments from former scholarship recipients who do not meet the eligibility criteria or work obligations;
- 9 (5) Establish rules for scholarship repayment, approved leaves of 10 absence, deferments, and exceptions to recognize extenuating 11 circumstances that may impact students; and
- 12 (6) Provide information to school districts in Washington, at least 13 once per year, about the GET ready for math and science scholarship 14 program.
- 15 **Sec. 187.** RCW 28B.105.100 and 2007 c 214 s 10 are each amended to read as follows:
- The ((board)) office and the program administrator shall jointly:
- (1) Determine criteria for qualifying undergraduate programs, majors, and courses leading to a bachelor's degree in mathematics, science, or a related field, offered by institutions of higher education. The ((board)) office shall publish the criteria for qualified courses, and lists of qualified programs and qualified majors, on its web site on a biennial basis; and
- (2) Establish criteria for selecting among eligible applicants those who, without scholarship assistance, would be least likely to pursue a qualified undergraduate program at an institution of higher education in Washington state.
- 28 **Sec. 188.** RCW 28B.105.110 and 2010 1st sp.s. c 37 s 918 are each 29 amended to read as follows:
- 30 (1) The GET ready for math and science scholarship account is 31 created in the custody of the state treasurer.
- 32 (2) The ((board)) office shall deposit into the account all money 33 received for the GET ready for math and science scholarship program 34 from appropriations and private sources. The account shall be 35 self-sustaining.

(3) Expenditures from the account shall be used for scholarships to eligible students and for purchases of GET units. Purchased GET units shall be owned and held in trust by the ((board)) office. Expenditures from the account shall be an equal match of state appropriations and private funds raised by the program administrator. During the 2009-2011 fiscal biennium, expenditures from the account not to exceed five percent may be used by the program administrator to carry out the provisions of RCW 28B.105.090.

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- (4) With the exception of the operating costs associated with the management of the account by the treasurer's office as authorized in chapter 43.79A RCW, the account shall be credited with all investment income earned by the account.
- 13 (5) Disbursements from the account are exempt from appropriations 14 and the allotment provisions of chapter 43.88 RCW.
- 15 (6) Disbursements from the account shall be made only on the 16 authorization of the ((board)) office.
  - (7) ((During the 2007-2009 fiscal biennium, the legislature may transfer state appropriations to the GET ready for math and science scholarship account that have not been matched by private contributions to the state general fund.
  - (8))) During the 2009-2011 fiscal biennium, the legislature may transfer from the GET ready for math and science scholarship account to the state general fund such amounts as have not been donated from or matched by private contributions.
- 25 **Sec. 189.** RCW 28B.106.010 and 1988 c 125 s 9 are each amended to 26 read as follows:
- The following definitions shall apply throughout this chapter, unless the context clearly indicates otherwise:
- 29 (1) "College savings bonds" or "bonds" are Washington state general 30 obligation bonds, issued under the authority of and in accordance with 31 this chapter.
- 32 (2) (("Board")) "Office" means the ((higher education coordinating 33 board)) office of student financial assistance, or any successor 34 thereto.
- 35 **Sec. 190.** RCW 28B.106.070 and 1988 c 125 s 16 are each amended to read as follows:

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The ((board)) office and the state finance committee shall create and implement marketing strategies and educational programs designed to publicize the college savings bond program to Washington residents.

4 **Sec. 191.** RCW 28B.108.010 and 2004 c 275 s 69 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Institution of higher education" or "institution" means a college or university in the state of Washington which is accredited by an accrediting association recognized as such by rule of the ((higher education coordinating board)) office of financial management.
- (2) (("Board")) "Office" means the ((higher education coordinating board)) office of student financial assistance.
- (3) "Eligible student" or "student" means an American Indian who is a financially needy student, as defined in RCW 28B.92.030, who is a resident student, as defined by RCW 28B.15.012(2), who is a full-time student at an institution of higher education, and who promises to use his or her education to benefit other American Indians.
- 19 **Sec. 192.** RCW 28B.108.020 and 2009 c 259 s 1 are each amended to 20 read as follows:
- 21 The American Indian endowed scholarship program is created. The 22 program shall be administered by the ((higher education coordinating 23 board)) office. In administering the program, the board's powers and 24 duties shall include but not be limited to:
  - (1) Selecting students to receive scholarships, with the assistance of a screening committee composed of persons involved in helping American Indian students to obtain a higher education. The membership of the committee may include, but is not limited to representatives of: Indian tribes, urban Indians, the governor's office of Indian affairs, the Washington state Indian education association, and institutions of higher education;
    - (2) Adopting necessary rules and guidelines;
    - (3) Publicizing the program;

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34 (4) Accepting and depositing donations into the endowment fund 35 created in RCW 28B.108.060;

1 (5) Requesting from the state investment board and accepting from 2 the state treasurer moneys earned from the endowment fund created in 3 RCW 28B.108.060;

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- (6) Soliciting and accepting grants and donations from public and private sources for the program; and
- (7) Naming scholarships in honor of those American Indians from Washington who have acted as role models.
- 8 **Sec. 193.** RCW 28B.108.030 and 1991 c 228 s 11 are each amended to 9 read as follows:
- 10 The ((higher education coordinating board)) office shall establish 11 an advisory committee to assist in program design and to develop 12 criteria for the screening and selection of scholarship recipients. 13 The committee shall be composed of representatives of the same groups as the screening committee described in RCW 28B.108.020. The criteria 14 shall assess the student's social and cultural ties to an American 15 Indian community within the state. The criteria shall include a 16 17 priority for upper-division or graduate students. The criteria may include a priority for students who are majoring in program areas in 18 which expertise is needed by the state's American Indians. 19
- 20 **Sec. 194.** RCW 28B.108.060 and 2009 c 259 s 2 are each amended to 21 read as follows:

The American Indian scholarship endowment fund is created in the custody of the state treasurer. The investment of the endowment fund shall be managed by the state investment board. Funds appropriated by the legislature for the endowment fund must be deposited into the fund.

- (1) Moneys received from the ((higher education coordinating board)) office, private donations, state moneys, and funds received from any other source may be deposited into the endowment fund. Private moneys received as a gift subject to conditions may be deposited into the fund.
- (2) At the request of the ((higher education coordinating board)) office, the state investment board shall release earnings from the endowment fund to the state treasurer. The state treasurer shall then release those funds at the request of the ((higher education coordinating board)) office for scholarships. No appropriation is required for expenditures from the endowment fund.

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(3) When notified by the ((higher education coordinating board)) office that a condition attached to a gift of private moneys in the fund has failed, the state investment board shall release those moneys to the ((higher education coordinating board)) office. The ((higher education coordinating board)) office shall then release the moneys to the donors according to the terms of the conditional gift.

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- (4) The principal of the endowment fund shall not be invaded. The release of moneys under subsection (3) of this section shall not constitute an invasion of corpus.
- 10 (5) The earnings on the fund shall be used solely for the purposes 11 set forth in RCW 28B.108.040, except when the terms of a conditional 12 gift of private moneys in the fund require that a portion of earnings 13 on such moneys be reinvested in the fund.
- 14 **Sec. 195.** RCW 28B.109.010 and 1996 c 253 s 401 are each amended to read as follows:
- 16 Unless the context clearly requires otherwise, the definitions in 17 this section apply throughout this chapter.
  - (1) (("Board" means the higher education coordinating board.
- (2)) "Eligible participant" means an international student whose country of residence has a trade relationship with the state of Washington.
  - $((\frac{3}{3}))$  (2) "Institution of higher education" or "institution" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the board.
    - (3) "Office" means the office of student financial assistance.
  - (4) "Service obligation" means volunteering for a minimum number of hours as established by the board based on the amount of scholarship award, to speak to or teach groups of Washington citizens, including but not limited to elementary, middle, and high schools, service clubs, and universities.
- 32 (5) "Washington international exchange scholarship program" means 33 a scholarship award for a period not to exceed one academic year to 34 attend a Washington institution of higher education made to an 35 international student whose country has an established trade 36 relationship with Washington.

1 **Sec. 196.** RCW 28B.109.020 and 1996 c 253 s 402 are each amended to read as follows:

The Washington international exchange scholarship program is created subject to funding under RCW 28B.109.060. The program shall be administered by the ((board)) office. In administering the program, the ((board)) office may:

- (1) Convene an advisory committee that may include but need not be limited to representatives of the office of the superintendent of public instruction, the department of ((community, trade, and economic development)) commerce, the secretary of state, private business, and institutions of higher education;
- (2) Select students to receive the scholarship with the assistance of a screening committee composed of leaders in business, international trade, and education;
- 15 (3) Adopt necessary rules and guidelines including rules for disbursing scholarship funds to participants;
  - (4) Publicize the program;

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- 18 (5) Solicit and accept grants and donations from public and private 19 sources for the program;
  - (6) Establish and notify participants of service obligations; and
- (7) Establish a formula for selecting the countries from which participants may be selected in consultation with the \*department of community, trade, and economic development.
  - **Sec. 197.** RCW 28B.109.030 and 1996 c 253 s 403 are each amended to read as follows:
  - The ((board)) office may negotiate and enter into a reciprocal agreement with foreign countries that have international students attending institutions in Washington. The goal of the reciprocal agreements shall be to allow Washington students enrolled in an institution of higher education to attend an international institution under similar terms and conditions.
- 32 **Sec. 198.** RCW 28B.109.040 and 1996 c 253 s 404 are each amended to 33 read as follows:
- If funds are available, the ((<del>board</del>)) <u>office</u> shall select students yearly to receive a Washington international exchange student scholarship from moneys earned from the Washington international

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- 1 exchange scholarship endowment fund created in RCW 28B.109.060, from
- 2 funds appropriated to the ((board)) office for this purpose, or from
- any private donations, or from any other funds given to the ((board))
- 4 <u>office</u> for this program.
- 5 **Sec. 199.** RCW 28B.109.050 and 1996 c 253 s 405 are each amended to 6 read as follows:
- 7 The Washington international exchange trust fund is established in
- 8 the custody of the state treasurer. Any funds appropriated by the 9 legislature for the trust fund shall be deposited into the fund. At
- 10 the request of the ((board)) office, and when conditions set forth in
- 11 RCW 28B.109.070 are met, the treasurer shall deposit state matching
- 12 moneys from the Washington international exchange trust fund into the
- 13 Washington international exchange scholarship endowment fund. No
- 14 appropriation is required for expenditures from the trust fund.
- 15 **Sec. 200.** RCW 28B.109.060 and 1996 c 253 s 406 are each amended to read as follows:
- 17 The Washington international exchange scholarship endowment fund is
- 18 established in the custody of the state treasurer. Moneys received
- 19 from the private donations and funds received from any other source may
- 20 be deposited into the endowment fund. At the request of the ((board))
- 21 office, the treasurer shall release earnings from the endowment fund to
- 22 the ((board)) office for scholarships. No appropriation is required
- 23 for expenditures from the endowment fund. The principal of the
- 24 endowment fund shall not be invaded. The earnings on the fund shall be
- 25 used solely for the purposes in this chapter.
- 26 **Sec. 201.** RCW 28B.109.070 and 1996 c 253 s 407 are each amended to read as follows:
- 28 The ((<del>board</del>)) <u>office</u> may request that the treasurer deposit state
- 29 matching funds into the Washington international exchange scholarship
- 30 endowment fund when the ((board)) office can match the state funds with
- 31 an equal amount of private cash donations, including conditional gifts.
- 32 Sec. 202. RCW 28B.109.080 and 1996 c 253 s 408 are each amended to
- 33 read as follows:

Each Washington international exchange scholarship recipient shall agree to complete the service obligation as defined by the ((board)) office.

**Sec. 203.** RCW 28B.115.020 and 1991 c 332 s 15 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) (("Board")) "Office" means the ((higher education coordinating board)) office of student financial assistance.
  - (2) "Department" means the state department of health.

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- (3) "Eligible education and training programs" means education and training programs approved by the department that lead to eligibility for a credential as a credentialed health care professional.
- (4) "Eligible expenses" means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, room and board, and other expenses determined by the ((board)) office.
- (5) "Eligible student" means a student who has been accepted into an eligible education or training program and has a declared intention to serve in a health professional shortage area upon completion of the education or training program.
- (6) "Forgiven" or "to forgive" or "forgiveness" means to render health care services in a health professional shortage area in the state of Washington in lieu of monetary repayment.
- (7) "Health professional shortage areas" means those areas where credentialed health care professionals are in short supply as a result of geographic maldistribution or as the result of a short supply of credentialed health care professionals in specialty health care areas and where vacancies exist in serious numbers that jeopardize patient care and pose a threat to the public health and safety. The department shall determine health professional shortage areas as provided for in RCW 28B.115.070((, or until June 1, 1992, as provided for in RCW <del>28B.115.060</del>)). In making health professional shortage designations in the state the department may be guided by applicable federal standards for "health manpower shortage areas," and "medically underserved areas, " and "medically underserved populations."

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(8) "Credentialed health care profession" means a health care profession regulated by a disciplining authority in the state of Washington under RCW 18.130.040 or by the state board of pharmacy under chapter 18.64 RCW and designated by the department in RCW 28B.115.070((, or until June 1, 1992, as established in RCW 28B.115.060)) as a profession having shortages of credentialed health care professionals in the state.

- (9) "Credentialed health care professional" means a person regulated by a disciplining authority in the state of Washington to practice a health care profession under RCW 18.130.040 or by the state board of pharmacy under chapter 18.64 RCW.
- (10) "Loan repayment" means a loan that is paid in full or in part if the participant renders health care services in a health professional shortage area as defined by the department.
- (11) "Nonshortage rural area" means a nonurban area of the state of Washington that has not been designated as a rural physician shortage area. The department shall identify the nonshortage rural areas of the state.
- (12) "Participant" means a credentialed health care professional who has received a loan repayment award and has commenced practice as a credentialed health care provider in a designated health professional shortage area or an eligible student who has received a scholarship under this program.
- (13) "Program" means the health professional loan repayment and scholarship program.
  - (14) "Required service obligation" means an obligation by the participant to provide health care services in a health professional shortage area for a period to be established as provided for in this chapter.
  - (15) "Rural physician shortage area" means rural geographic areas where primary care physicians are in short supply as a result of geographic maldistributions and where their limited numbers jeopardize patient care and pose a threat to public health and safety. The department shall designate rural physician shortage areas.
    - (16) "Satisfied" means paid-in-full.
- 36 (17) "Scholarship" means a loan that is forgiven in whole or in 37 part if the recipient renders health care services in a health 38 professional shortage area.

1 (18) "Sponsoring community" means a rural hospital or hospitals as 2 authorized in chapter 70.41 RCW, a rural health care facility or 3 facilities as authorized in chapter 70.175 RCW, or a city or county 4 government or governments.

Sec. 204. RCW 28B.115.030 and 1991 c 332 s 16 are each amended to read as follows:

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The health professional loan repayment and scholarship program is established for credentialed health professionals serving in health professional shortage areas. The program shall be administered by the ((higher education coordinating board)) office. In ((administrating)) administering this program, the ((board)) office shall:

- (1) Select credentialed health care professionals to participate in the loan repayment portion of the loan repayment and scholarship program and select eligible students to participate in the scholarship portion of the loan repayment and scholarship program;
  - (2) Adopt rules and develop guidelines to administer the program;
- (3) Collect and manage repayments from participants who do not meet their service obligations under this chapter;
- (4) Publicize the program, particularly to maximize participation among individuals in shortage areas and among populations expected to experience the greatest growth in the workforce;
- 22 (5) Solicit and accept grants and donations from public and private 23 sources for the program; and
- 24 (6) Develop criteria for a contract for service in lieu of the 25 service obligation where appropriate, that may be a combination of 26 service and payment.
- 27 **Sec. 205.** RCW 28B.115.050 and 2004 c 275 s 70 are each amended to 28 read as follows:

The ((board)) office shall establish a planning committee to assist it in developing criteria for the selection of participants. The ((board)) office shall include on the planning committee representatives of the department, the department of social and health services, appropriate representatives from health care facilities, provider groups, consumers, the state board for community and technical colleges, the superintendent of public instruction, and other

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- 1 appropriate public and private agencies and organizations. The
- 2 criteria may require that some of the participants meet the definition
- of "needy student" under RCW 28B.92.030.
- 4 **Sec. 206.** RCW 28B.115.070 and 2003 c 278 s 3 are each amended to read as follows:
- After June 1, 1992, the department, in consultation with the ((board)) office and the department of social and health services, shall:
- 9 (1) Determine eligible credentialed health care professions for the purposes of the loan repayment and scholarship program authorized by 10 11 this chapter. Eligibility shall be based upon an assessment that 12 determines that there is a shortage or insufficient availability of a 13 credentialed profession so as to jeopardize patient care and pose a threat to the public health and safety. The department shall consider 14 15 the relative degree of shortages among professions when determining 16 The department may add or remove professions from 17 eligibility based upon the determination that a profession is no longer in shortage. Should a profession no longer be eligible, participants 18 or eligible students who have received scholarships shall be eligible 19 20 to continue to receive scholarships or loan repayments until they are 21 no longer eligible or until their service obligation has been 22 completed;
- 23 (2) Determine health professional shortage areas for each of the 24 eligible credentialed health care professions.
- 25 **Sec. 207.** RCW 28B.115.080 and 1993 c 492 s 271 are each amended to read as follows:

27 After June 1, 1992, the ((<del>board</del>)) <u>office</u>, in consultation with the 28 department and the department of social and health services, shall:

(1) Establish the annual award amount for each credentialed health care profession which shall be based upon an assessment of reasonable annual eligible expenses involved in training and education for each credentialed health care profession. The annual award amount may be established at a level less than annual eligible expenses. The annual award amount shall be established by the ((board)) office for each eligible health profession. The awards shall not be paid for more than a maximum of five years per individual;

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(2) Determine any scholarship awards for prospective physicians in such a manner to require the recipients declare an interest in serving in rural areas of the state of Washington. Preference for scholarships shall be given to students who reside in a rural physician shortage area or a nonshortage rural area of the state prior to admission to the eligible education and training program in medicine. Highest preference shall be given to students seeking admission who are recommended by sponsoring communities and who declare the intent of serving as a physician in a rural area. The ((board)) office may require the sponsoring community located in a nonshortage rural area to financially contribute to the eligible expenses of a medical student if the student will serve in the nonshortage rural area;

- (3) Establish the required service obligation for each credentialed health care profession, which shall be no less than three years or no more than five years. The required service obligation may be based upon the amount of the scholarship or loan repayment award such that higher awards involve longer service obligations on behalf of the participant;
- (4) Determine eligible education and training programs for purposes of the scholarship portion of the program;
- (5) Honor loan repayment and scholarship contract terms negotiated between the ((board)) office and participants prior to May 21, 1991, concerning loan repayment and scholarship award amounts and service obligations authorized under chapter 28B.115, 28B.104, or 70.180 RCW.
- Sec. 208. RCW 28B.115.090 and 2003 c 278 s 4 are each amended to read as follows:
- (1) The ((board)) office may grant loan repayment and scholarship awards to eligible participants from the funds appropriated for this purpose, or from any private or public funds given to the ((board)) office for this purpose. Participants are ineligible to receive loan repayment if they have received a scholarship from programs authorized under this chapter or chapter 70.180 RCW or are ineligible to receive a scholarship if they have received loan repayment authorized under this chapter or chapter 28B.115 RCW.
- (2) Funds appropriated for the program, including reasonable administrative costs, may be used by the ((board)) office for the purposes of loan repayments or scholarships. The ((board)) office

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shall annually establish the total amount of funding to be awarded for loan repayments and scholarships and such allocations shall be established based upon the best utilization of funding for that year.

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4 (3) One portion of the funding appropriated for the program shall be used by the ((board)) office as a recruitment incentive for 5 communities participating in the community-based recruitment and 6 7 retention program as authorized by chapter 70.185 RCW; one portion of 8 the funding shall be used by the ((board)) office as a recruitment incentive for recruitment activities in state-operated institutions, 9 10 county public health departments and districts, county human service agencies, federal and state contracted community health clinics, and 11 12 other health care facilities, such as rural hospitals that have been 13 identified by the department, as providing substantial amounts of charity care or publicly subsidized health care; one portion of the 14 funding shall be used by the ((board)) office for all other awards. 15 The ((board)) office shall determine the amount of total funding to be 16 17 distributed between the three portions.

Sec. 209. RCW 28B.115.110 and 1991 c 332 s 24 and 1991 c 164 s 8 are each reenacted and amended to read as follows:

Participants in the health professional loan repayment and scholarship program who are awarded loan repayments shall receive payment from the program for the purpose of repaying educational loans secured while attending a program of health professional training which led to a credential as a credentialed health professional in the state of Washington.

- (1) Participants shall agree to meet the required service obligation in a designated health professional shortage area.
- (2) Repayment shall be limited to eligible educational and living expenses as determined by the ((board)) office and shall include principal and interest.
- (3) Loans from both government and private sources may be repaid by the program. Participants shall agree to allow the ((board)) office access to loan records and to acquire information from lenders necessary to verify eligibility and to determine payments. Loans may not be renegotiated with lenders to accelerate repayment.
- 36 (4) Repayment of loans established pursuant to this program shall 37 begin no later than ninety days after the individual has become a

participant. Payments shall be made quarterly, or more frequently if deemed appropriate by the ((board)) office, to the participant until the loan is repaid or the participant becomes ineligible due to discontinued service in a health professional shortage area or after the required service obligation when eligibility discontinues, whichever comes first.

- (5) Should the participant discontinue service in a health professional shortage area payments against the loans of the participants shall cease to be effective on the date that the participant discontinues service.
- (6) Except for circumstances beyond their control, participants who serve less than the required service obligation shall be obligated to repay to the program an amount equal to twice the total amount paid by the program on their behalf in addition to any payments on the unsatisfied portion of the principal and interest. The ((board)) office shall determine the applicability of this subsection.
- (7) The ((board)) office is responsible for the collection of payments made on behalf of participants from the participants who discontinue service before completion of the required service obligation. The ((board)) office shall exercise due diligence in such collection, maintaining all necessary records to ensure that the maximum amount of payment made on behalf of the participant is recovered. Collection under this section shall be pursued using the full extent of the law, including wage garnishment if necessary.
- 25 (8) The((board)) office shall not be held responsible for any 26 outstanding payments on principal and interest to any lenders once a 27 participant's eligibility expires.
- 28 (9) The ((<del>board</del>)) <u>office</u> shall temporarily or, in special 29 circumstances, permanently defer the requirements of this section for 30 eligible students as defined in RCW 28B.10.017.
- **Sec. 210.** RCW 28B.115.120 and 1993 c 423 s 2 are each amended to read as follows:
  - (1) Participants in the health professional loan repayment and scholarship program who are awarded scholarships incur an obligation to repay the scholarship, with interest, unless they serve the required service obligation in a health professional shortage area in the state of Washington.

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(2) The interest rate shall be eight percent for the first four years of repayment and ten percent beginning with the fifth year of repayment.

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- (3) The period for repayment shall coincide with the required service obligation, with payments of principal and interest accruing quarterly commencing no later than nine months from the date the participant completes or discontinues the course of study or completes or discontinues the required residency. Provisions for deferral of payment shall be determined by the ((board)) office.
- (4) The entire principal and interest of each payment shall be forgiven for each payment period in which the participant serves in a health professional shortage area until the entire repayment obligation is satisfied or the borrower ceases to so serve. Should the participant cease to serve in a health professional shortage area of this state before the participant's repayment obligation is completed, payments on the unsatisfied portion of the principal and interest shall begin the next payment period and continue until the remainder of the participant's repayment obligation is satisfied. circumstances beyond their control, participants who serve less than the required service obligation shall be obliged to repay to the program an amount equal to twice the total amount paid by the program on their behalf.
- (5) The ((board)) office is responsible for collection of repayments made under this section and shall exercise due diligence in such collection, maintaining all necessary records to ensure that maximum repayments are made. Collection and servicing of repayments under this section shall be pursued using the full extent of the law, including wage garnishment if necessary, and shall be performed by entities approved for such servicing by the Washington student loan guaranty association or its successor agency. The ((board)) office is responsible to forgive all or parts of such repayments under the criteria established in this section and shall maintain all necessary records of forgiven payments.
- (6) Receipts from the payment of principal or interest or any other subsidies to which the ((board)) office as administrator is entitled, which are paid by or on behalf of participants under this section, shall be deposited with the ((board)) office and shall be used to cover the costs of granting the scholarships, maintaining necessary records,

and making collections under subsection (5) of this section. The ((board)) office shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to grant scholarships to eligible students.

- (7) Sponsoring communities who financially contribute to the eligible financial expenses of eligible medical students may enter into agreements with the student to require repayment should the student not serve the required service obligation in the community as a primary care physician. The ((board)) office may develop criteria for the content of such agreements with respect to reasonable provisions and obligations between communities and eligible students.
- 12 (8) The ((board)) office may make exceptions to the conditions for 13 participation and repayment obligations should circumstances beyond the 14 control of individual participants warrant such exceptions.
- **Sec. 211.** RCW 28B.115.130 and 1991 c 332 s 28 are each amended to read as follows:
  - (1) Any funds appropriated by the legislature for the health professional loan repayment and scholarship program or any other public or private funds intended for loan repayments or scholarships under this program shall be placed in the account created by this section.
  - (2) The health professional loan repayment and scholarship program fund is created in custody of the state treasurer. All receipts from the program shall be deposited into the fund. Only the ((higher education coordinating board)) office, or its designee, may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.
- **Sec. 212.** RCW 28B.115.140 and 1989 1st ex.s. c 9 s 722 are each 29 amended to read as follows:
- After consulting with the ((higher education coordinating board))

  office, the governor may transfer the administration of this program to
  another agency with an appropriate mission.
- **Sec. 213.** RCW 28B.116.010 and 2005 c 215 s 2 are each amended to read as follows:

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- 1 Unless the context clearly requires otherwise, the definitions in 2 this section apply throughout this chapter.
  - (1) "Institution of higher education" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the ((higher education coordinating board)) office of financial management.
    - (2) "Eligible student" means a student who:

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- (a) Is between the ages of sixteen and twenty-three;
- 9 (b) Has been in foster care in the state of Washington for a minimum of six months since his or her fourteenth birthday;
  - (c) Is a financially needy student, as defined in RCW 28B.92.030;
  - (d) Is a resident student, as defined in RCW 28B.15.012(2);
- (e) Has entered or will enter an institution of higher education in Washington state within three years of high school graduation or having successfully completed his or her GED;
  - (f) Is not pursuing a degree in theology; and
- 17 (g) Makes satisfactory progress towards the completion of a degree 18 or certificate program.
  - (3) "Cost of attendance" means the cost associated with the attendance of the institution of higher education as determined by the ((higher education coordinating board)) office of student financial assistance, including but not limited to tuition, room, board, and books.
    - (4) "Office" means the office of student financial assistance.
- 25 **Sec. 214.** RCW 28B.116.020 and 2009 c 560 s 20 are each amended to 26 read as follows:
  - (1) The foster care endowed scholarship program is created. The purpose of the program is to help students who were in foster care attend an institution of higher education in the state of Washington. The foster care endowed scholarship program shall be administered by the ((higher education coordinating board)) office.
- 32 (2) In administering the program, the ((higher education coordinating board's)) office's powers and duties shall include but not be limited to:
  - (a) Adopting necessary rules and guidelines; and
- 36 (b) Administering the foster care endowed scholarship trust fund 37 and the foster care scholarship endowment fund.

- (3) In administering the program, the ((higher education coordinating board's)) office's powers and duties may include but not be limited to:
- (a) Working with the department of social and health services and the superintendent of public instruction to provide information about the foster care endowed scholarship program to children in foster care in the state of Washington and to students over the age of sixteen who could be eligible for this program;
  - (b) Publicizing the program; and

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- 10 (c) Contracting with a private agency to perform outreach to the potentially eligible students.
- 12 **Sec. 215.** RCW 28B.116.030 and 2005 c 215 s 4 are each amended to 13 read as follows:
  - (1) The ((higher education coordinating board)) office may award scholarships to eligible students from the foster care scholarship endowment fund in RCW 28B.116.060, from funds appropriated to the board for this purpose, from any private donations, or from any other funds given to the ((board)) office for the program.
  - The ((board)) office may award scholarships to eligible students from moneys earned from the foster care scholarship endowment fund created in RCW 28B.116.060, or from funds appropriated to the board for this purpose, or from any private donations, or from any other funds given to the ((board)) office for this program. undergraduate student, the amount of the scholarship shall not exceed the student's demonstrated financial need. For a graduate student, the amount of the scholarship shall not exceed the student's demonstrated need; or the stipend of a teaching assistant, including tuition, at the University of Washington; whichever is higher. In calculating a student's need, the ((board)) office shall consider the student's costs for tuition, fees, books, supplies, transportation, room, board, personal expenses, and child care. The student's scholarship awarded under this chapter shall not exceed the amount received by a student attending a state research university. A student is eligible to receive a scholarship for a maximum of five years. However, the length of the scholarship shall be determined at the discretion of the ((board)) office.

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- 1 (3) Grants under this chapter shall not affect eligibility for the 2 state student financial aid program.
- **Sec. 216.** RCW 28B.116.050 and 2005 c 215 s 6 are each amended to 4 read as follows:

- (1) The foster care endowed scholarship trust fund is created in the custody of the state treasurer.
- (2) Funds appropriated by the legislature for the foster care endowed scholarship trust fund shall be deposited in the foster care endowed scholarship trust fund. When conditions in RCW 28B.116.070 are met, the ((higher education coordinating board)) office shall deposit state matching moneys from the trust fund into the foster care scholarship endowment fund.
- 13 (3) No appropriation is required for expenditures from the trust 14 fund.
- **Sec. 217.** RCW 28B.116.060 and 2007 c 73 s 3 are each amended to read as follows:
  - The foster care scholarship endowment fund is created in the custody of the state treasurer. The investment of the endowment fund shall be managed by the state investment board.
  - (1) Moneys received from the ((higher education coordinating board)) office, private donations, state matching moneys, and funds received from any other source may be deposited into the foster care scholarship endowment fund. Private moneys received as a gift subject to conditions may be deposited into the endowment fund if the conditions do not violate state or federal law.
  - (2) At the request of the ((higher education coordinating board)) office, the state investment board shall release earnings from the endowment fund to the state treasurer. The state treasurer shall then release those funds at the request of the ((higher education coordinating board)) office for scholarships. No appropriation is required for expenditures from the endowment fund.
- 32 (3) The ((higher education coordinating board)) office may disburse 33 grants to eligible students from the foster care scholarship endowment 34 fund. No appropriation is required for expenditures from the endowment 35 fund.

(4) When notified by court order that a condition attached to a gift of private moneys from the foster care scholarship endowment fund has failed, the ((higher education coordinating board)) office shall release those moneys to the donors according to the terms of the conditional gift.

- (5) The principal of the foster care scholarship endowment fund shall not be invaded. For the purposes of this section, only the first twenty-five thousand dollars deposited into the foster care scholarship endowment fund shall be considered the principal. The release of moneys under subsection (4) of this section shall not constitute an invasion of the corpus.
- (6) The foster care scholarship endowment fund shall be used solely for the purposes in this chapter, except when the conditional gift of private moneys in the endowment fund require a portion of the earnings on such moneys be reinvested in the endowment fund.
- **Sec. 218.** RCW 28B.116.070 and 2005 c 215 s 8 are each amended to read as follows:
  - (1) The ((higher education coordinating board)) office may deposit twenty-five thousand dollars of state matching funds into the foster care scholarship endowment fund when the ((board)) office can match state funds with an equal amount of private cash donations.
  - (2) After the initial match of twenty-five thousand dollars, state matching funds from the foster care endowed scholarship trust fund shall be released to the foster care scholarship endowment fund semiannually so long as there are funds available in the foster care endowed scholarship trust fund.
- **Sec. 219.** RCW 28B.117.020 and 2007 c 314 s 2 are each amended to 28 read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
  - (1) "Cost of attendance" means the cost associated with attending a particular institution of higher education as determined by the ((higher education coordinating board)) office, including but not limited to tuition, fees, room, board, books, personal expenses, and transportation, plus the cost of reasonable additional expenses

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incurred by an eligible student and approved by a financial aid administrator at the student's school of attendance.

- (2) "Emancipated from foster care" means a person who was a dependent of the state in accordance with chapter 13.34 RCW and who was receiving foster care in the state of Washington when he or she reached his or her eighteenth birthday.
- (3) "Financial need" means the difference between a student's cost of attendance and the student's total family contribution as determined by the method prescribed by the United States department of education.
- (4) "Independent college or university" means a private, nonprofit institution of higher education, open to residents of the state, providing programs of education beyond the high school level leading to at least the baccalaureate degree, and accredited by the Northwest association of schools and colleges, and other institutions as may be developed that are approved by the ((higher education coordinating)) board as meeting equivalent standards as those institutions accredited under this section.
  - (5) "Institution of higher education" means:

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- (a) Any public university, college, community college, or technical college operated by the state of Washington or any political subdivision thereof; or
  - (b) Any independent college or university in Washington; or
- (c) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level that is a member institution of an accrediting association recognized by rule of the ((higher education coordinating board)) office of financial management for the purposes of this section: PROVIDED, That any institution, branch, extension, or facility operating within the state of Washington that is affiliated with an institution operating in another state must be a separately accredited member institution of any such accrediting association, or a branch of a member institution of an accrediting association recognized by rule of the ((board)) office of financial management for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent students.

1 (6) "Office" means the office of student financial assistance.

- 2 <u>(7)</u> "Program" means the passport to college promise pilot program created in this chapter.
- **Sec. 220.** RCW 28B.117.030 and 2007 c 314 s 4 are each amended to read as follows:
  - (1) The ((higher education coordinating board)) office shall design and, to the extent funds are appropriated for this purpose, implement, a program of supplemental scholarship and student assistance for students who have emancipated from the state foster care system after having spent at least one year in care.
  - (2) The ((board)) office shall convene and consult with an advisory committee to assist with program design and implementation. The committee shall include but not be limited to former foster care youth and their advocates; representatives from the state board for community and technical colleges, and from public and private agencies that assist current and former foster care recipients in their transition to adulthood; and student support specialists from public and private colleges and universities.
  - (3) To the extent that sufficient funds have been appropriated for this purpose, a student is eligible for assistance under this section if he or she:
  - (a) Emancipated from foster care on or after January 1, 2007, after having spent at least one year in foster care subsequent to his or her sixteenth birthday;
    - (b) Is a resident student, as defined in RCW 28B.15.012(2);
  - (c) Is enrolled with or will enroll on at least a half-time basis with an institution of higher education in Washington state by the age of twenty-one;
  - (d) Is making satisfactory academic progress toward the completion of a degree or certificate program, if receiving supplemental scholarship assistance;
    - (e) Has not earned a bachelor's or professional degree; and
    - (f) Is not pursuing a degree in theology.
- 34 (4) A passport to college scholarship under this section:
- 35 (a) Shall not exceed resident undergraduate tuition and fees at the 36 highest-priced public institution of higher education in the state; and

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

- (5) An eligible student may receive a passport to college scholarship under this section for a maximum of five years after the student first enrolls with an institution of higher education or until the student turns age twenty-six, whichever occurs first. If a student turns age twenty-six during an academic year, and would otherwise be eligible for a scholarship under this section, the student shall continue to be eligible for a scholarship for the remainder of the academic year.
- (6) The ((higher education coordinating board)) office, in consultation with and with assistance from the state board for community and technical colleges, shall perform an annual analysis to verify that those institutions of higher education at which students have received a scholarship under this section have awarded the student all available need-based and merit-based grant and scholarship aid for which the student qualifies.
- (7) In designing and implementing the passport to college student support program under this section, the  $((\frac{board}{}))$  office, in consultation with and with assistance from the state board for community and technical colleges, shall ensure that a participating college or university:
- (a) Has a viable plan for identifying students eligible for assistance under this section, for tracking and enhancing their academic progress, for addressing their unique needs for assistance during school vacations and academic interims, and for linking them to appropriate sources of assistance in their transition to adulthood;
- 30 (b) Receives financial and other incentives for achieving 31 measurable progress in the recruitment, retention, and graduation of 32 eligible students.
- **Sec. 221.** RCW 28B.117.040 and 2007 c 314 s 5 are each amended to read as follows:
- 35 Effective operation of the passport to college promise pilot 36 program requires early and accurate identification of former foster

care youth so that they can be linked to the financial and other assistance that will help them succeed in college. To that end:

- (1) All institutions of higher education that receive funding for student support services under RCW 28B.117.030 shall include on their applications for admission or on their registration materials a question asking whether the applicant has been in foster care in Washington state for at least one year since his or her sixteenth birthday. All other institutions of higher education are strongly encouraged to include such a question. No institution may consider whether an applicant may be eligible for a scholarship or student support services under this chapter when deciding whether the applicant will be granted admission.
- (2) The department of social and health services shall devise and implement procedures for efficiently, promptly, and accurately identifying students and applicants who are eligible for services under RCW 28B.117.030, and for sharing that information with the ((higher education coordinating board)) office and with institutions of higher education. The procedures shall include appropriate safeguards for consent by the applicant or student before disclosure.
- **Sec. 222.** RCW 28B.117.050 and 2007 c 314 s 6 are each amended to 21 read as follows:
  - (1) To the extent funds are appropriated for this purpose, the ((higher education coordinating board)) office, with input from the state board for community and technical colleges, the foster care partnership, and institutions of higher education, shall develop and maintain an internet web site and outreach program to serve as a comprehensive portal for foster care youth in Washington state to obtain information regarding higher education including, but not necessarily limited to:
  - (a) Academic, social, family, financial, and logistical information important to successful postsecondary educational success;
    - (b) How and when to obtain and complete college applications;
  - (c) What college placement tests, if any, are generally required for admission to college and when and how to register for such tests;
- 35 (d) How and when to obtain and complete a federal free application 36 for federal student aid (FAFSA); and

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1 (e) Detailed sources of financial aid likely available to eligible 2 former foster care youth, including the financial aid provided by this 3 chapter.

- (2) The ((board)) office shall determine whether to design, build, and operate such program and web site directly or to use, support, and modify existing web sites created by government or nongovernmental entities for a similar purpose.
- **Sec. 223.** RCW 28B.117.060 and 2007 c 314 s 7 are each amended to 9 read as follows:
  - (1) To the extent funds are appropriated for this purpose, the department of social and health services, with input from the state board for community and technical colleges, the ((higher education coordinating board)) office, and institutions of higher education, shall contract with at least one nongovernmental entity through a request for proposals process to develop, implement, and administer a program of supplemental educational transition planning for youth in foster care in Washington state.
  - (2) The nongovernmental entity or entities chosen by the department shall have demonstrated success in working with foster care youth and assisting foster care youth in successfully making the transition from foster care to independent adulthood.
  - (3) The selected nongovernmental entity or entities shall provide supplemental educational transition planning to foster care youth in Washington state beginning at age fourteen and then at least every six months thereafter. The supplemental transition planning shall include:
  - (a) Comprehensive information regarding postsecondary educational opportunities including, but not limited to, sources of financial aid, institutional characteristics and record of support for former foster care youth, transportation, housing, and other logistical considerations;
    - (b) How and when to apply to postsecondary educational programs;
  - (c) What precollege tests, if any, the particular foster care youth should take based on his or her postsecondary plans and when to take the tests;
- 35 (d) What courses to take to prepare the particular foster care 36 youth to succeed at his or her postsecondary plans;

(e) Social, community, educational, logistical, and other issues that frequently impact college students and their success rates; and

- (f) Which web sites, nongovernmental entities, public agencies, and other foster care youth support providers specialize in which services.
- (4) The selected nongovernmental entity or entities shall work directly with the school counselors at the foster care youths' high schools to ensure that a consistent and complete transition plan has been prepared for each foster care youth who emancipates out of the foster care system in Washington state.
- **Sec. 224.** RCW 28B.117.070 and 2007 c 314 s 8 are each amended to 11 read as follows:
  - (1) The ((higher education coordinating board)) office of student financial assistance shall report to appropriate committees of the legislature by January 15, 2008, on the status of program design and implementation. The report shall include a discussion of proposed scholarship and student support service approaches; an estimate of the number of students who will receive such services; baseline information on the extent to which former foster care youth who meet the eligibility criteria in RCW 28B.117.030 have enrolled and persisted in postsecondary education; and recommendations for any statutory changes needed to promote achievement of program objectives.
  - (2) The state board for community and technical colleges and the ((higher education coordinating board)) office of student financial assistance shall monitor and analyze the extent to which eligible young people are increasing their participation, persistence, and progress in postsecondary education, and shall jointly submit a report on their findings to appropriate committees of the legislature by December 1, 2009, and by December 1, 2011.
  - (3) The Washington state institute for public policy shall complete an evaluation of the passport to college promise pilot program and shall submit a report to appropriate committees of the legislature by December 1, 2012. The report shall estimate the impact of the program on eligible students' participation and success in postsecondary education, and shall include recommendations for program revision and improvement.

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**Sec. 225.** RCW 28B.118.010 and 2008 c 321 s 9 are each amended to read as follows:

- The ((higher education coordinating board)) office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section.
- (1) "Eligible students" are those students who qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter.
- (2) Eligible students shall be notified of their eligibility for the Washington college bound scholarship program beginning in their seventh grade year. Students shall also be notified of the requirements for award of the scholarship.
- (3) To be eligible for a Washington college bound scholarship, a student must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. Students who were in the eighth grade during the 2007-08 school year may sign the pledge during the 2008-09 school year. The pledge must be witnessed by a parent or guardian and forwarded to the ((higher education coordinating board)) office of student financial assistance by mail or electronically, as indicated on the pledge form.
- (4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.
- (b) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (d).
- (5) A student's family income will be assessed upon graduation before awarding the scholarship.
- 35 (6) If at graduation from high school the student's family income 36 does not exceed sixty-five percent of the state median family income, 37 scholarship award amounts shall be as provided in this section.

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

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- (b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington.
- (c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington.
- 15 (7) Recipients may receive no more than four full-time years' worth 16 of scholarship awards.
  - (8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.
- 22 (9) The first scholarships shall be awarded to students graduating 23 in 2012.
  - (10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.
- 29 (11) The scholarship award must be used within five years of 30 receipt. Any unused scholarship tuition units revert to the Washington 31 college bound scholarship account.
- 32 (12) Should the recipient terminate his or her enrollment for any 33 reason during the academic year, the unused portion of the scholarship 34 tuition units shall revert to the Washington college bound scholarship 35 account.
- 36 **Sec. 226.** RCW 28B.118.020 and 2007 c 405 s 3 are each amended to read as follows:

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The office of the superintendent of public instruction shall:

- (1) Notify elementary, middle, and junior high schools about the Washington college bound scholarship program using methods in place for communicating with schools and school districts; and
- (2) Work with the ((higher education coordinating board)) office of student financial assistance to develop application collection and student tracking procedures.
- **Sec. 227.** RCW 28B.118.040 and 2007 c 405 s 5 are each amended to 9 read as follows:
- 10 The ((higher education coordinating board)) office of student 11 financial assistance shall:
  - (1) With the assistance of the office of the superintendent of public instruction, implement and administer the Washington college bound scholarship program;
  - (2) Develop and distribute, to all schools with students enrolled in grade seven or eight, a pledge form that can be completed and returned electronically or by mail by the student or the school to the ((higher education coordinating board)) office of student financial assistance;
- 20 (3) Develop and implement a student application, selection, and notification process for scholarships;
  - (4) Track scholarship recipients to ensure continued eligibility and determine student compliance for awarding of scholarships;
  - (5) Subject to appropriation, deposit funds into the state educational trust fund;
  - (6) Purchase tuition units under the advanced college tuition payment program in chapter 28B.95 RCW to be owned and held in trust by the board, for the purpose of scholarship awards as provided for in this section; and
  - (7) Distribute scholarship funds, in the form of tuition units purchased under the advanced college tuition payment program in chapter 28B.95 RCW or through direct payments from the state educational trust fund, to institutions of higher education on behalf of scholarship recipients identified by the ((board)) office, as long as recipients maintain satisfactory academic progress.

- 1 **Sec. 228.** RCW 28B.118.050 and 2007 c 405 s 6 are each amended to read as follows:
- The ((higher education coordinating board)) office of student financial assistance may accept grants, gifts, bequests, and devises of real and personal property from any source for the purpose of granting financial aid in addition to that funded by the state.
- 7 **Sec. 229.** RCW 28B.118.060 and 2007 c 405 s 7 are each amended to 8 read as follows:
- 9 The ((higher education coordinating board)) office of student 10 <u>financial assistance</u> may adopt rules to implement this chapter.
- 11 **Sec. 230.** RCW 28B.119.010 and 2004 c 275 s 60 are each amended to read as follows:
- 13 The ((higher education coordinating board)) office of student 14 <u>financial assistance</u> shall design the Washington promise scholarship 15 program based on the following parameters:

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- (1) Scholarships shall be awarded to students graduating from public and approved private high schools under chapter 28A.195 RCW, students participating in home-based instruction as provided in chapter 28A.200 RCW, and persons twenty-one years of age or younger receiving a GED certificate, who meet both an academic and a financial eligibility criteria.
  - (a) Academic eligibility criteria shall be defined as follows:
- (i) Beginning with the graduating class of 2002, students graduating from public and approved private high schools under chapter 28A.195 RCW must be in the top fifteen percent of their graduating class, as identified by each respective high school at the completion of the first term of the student's senior year; or
- (ii) Students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, students participating in home-based instruction as provided in chapter 28A.200 RCW, and persons twenty-one years of age or younger receiving a GED certificate, must equal or exceed a cumulative scholastic assessment test I score of twelve hundred on their first attempt or must equal or exceed a composite American college test score of twenty-seven on their first attempt.

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(b) To meet the financial eligibility criteria, a student's family income shall not exceed one hundred thirty-five percent of the state median family income adjusted for family size, as determined by the ((higher education coordinating board)) office of student financial assistance for each graduating class. Students not meeting the eligibility requirements for the first year of scholarship benefits may reapply for the second year of benefits, but must still meet the income standard set by the ((board)) office for the student's graduating class.

- (2) Promise scholarships are not intended to supplant any grant, scholarship, or tax program related to postsecondary education. If the ((board)) office of student financial assistance finds that promise scholarships supplant or reduce any grant, scholarship, or tax program for categories of students, then the ((board)) office shall adjust the financial eligibility criteria or the amount of scholarship to the level necessary to avoid supplanting.
- (3) Within available funds, each qualifying student shall receive two consecutive annual awards, the value of each not to exceed the full-time annual resident tuition rates charged by Washington's community colleges. The ((higher education coordinating board)) office of student financial assistance shall award scholarships to as many students as possible from among those qualifying under this section.
- (4) By October 15th of each year, the ((board)) office of student financial assistance shall determine the award amount of the scholarships, after taking into consideration the availability of funds.
- (5) The scholarships may only be used for undergraduate coursework at accredited institutions of higher education in the state of Washington.
- (6) The scholarships may be used for undergraduate coursework at Oregon institutions of higher education that are part of the border county higher education opportunity project in RCW 28B.76.685 when those institutions offer programs not available at accredited institutions of higher education in Washington state.
- 35 (7) The scholarships may be used for college-related expenses, 36 including but not limited to, tuition, room and board, books, and 37 materials.

1 (8) The scholarships may not be awarded to any student who is 2 pursuing a degree in theology.

- (9) The ((higher education coordinating board)) office of student financial assistance may establish satisfactory progress standards for the continued receipt of the promise scholarship.
- (10) The ((higher education coordinating board)) office of student financial assistance shall establish the time frame within which the student must use the scholarship.
- **Sec. 231.** RCW 28B.119.020 and 2002 c 204 s 3 are each amended to read as follows:
  - The ((higher education coordinating board)) office of student financial assistance, with the assistance of the office of the superintendent of public instruction, shall implement and administer the Washington promise scholarship program described in RCW 28B.119.010 as follows:
  - (1) The first scholarships shall be awarded to eligible students enrolling in postsecondary education in the 2002-03 academic year.
  - (2) The office of the superintendent of public instruction shall provide information to the ((higher education coordinating board)) office of student financial assistance that is necessary for implementation of the program. The ((higher education coordinating board)) office of student financial assistance and the office of the superintendent of public instruction shall jointly establish a timeline and procedures necessary for accurate and timely data reporting.
  - (a) For students meeting the academic eligibility criteria as provided in RCW 28B.119.010(1)(a), the office of the superintendent of public instruction shall provide the (( $\frac{higher}{hoard}$ )) office of student financial assistance with student names, addresses, birth dates, and unique numeric identifiers.
  - (b) Public and approved private high schools under chapter 28A.195 RCW shall provide requested information necessary for implementation of the program to the office of the superintendent of public instruction within the established timeline.
  - (c) All student data is confidential and may be used solely for the purposes of providing scholarships to eligible students.
  - (3) The ((higher education coordinating board)) office of student financial assistance may adopt rules to implement this chapter.

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1 **Sec. 232.** RCW 28B.119.030 and 2004 c 275 s 71 are each amended to read as follows:

The Washington promise scholarship program shall not be funded at the expense of the state need grant program as defined in chapter 28B.92 RCW. In administering the state need grant and promise scholarship programs, the ((higher education coordinating board)) office of student financial assistance shall first ensure that eligibility for state need grant recipients is at least fifty-five percent of state median family income.

10 **Sec. 233.** RCW 28B.119.050 and 2002 c 204 s 6 are each amended to 11 read as follows:

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- (1) The Washington promise scholarship account is created in the custody of the state treasurer. The account shall be a nontreasury account retaining its interest earnings in accordance with RCW 43.79A.040.
- (2) The ((higher education coordinating board)) office of student financial assistance shall deposit in the account all money received for the program. The account shall be self-sustaining and consist of funds appropriated by the legislature for the Washington promise scholarship program, private contributions to the program, and refunds of Washington promise scholarships.
- 22 (3) Expenditures from the account shall be used for scholarships to 23 eligible students.
  - (4) With the exception of the operating costs associated with the management of the account by the treasurer's office as authorized in chapter 43.79A RCW, the account shall be credited with all investment income earned by the account.
- 28 (5) Disbursements from the account are exempt from appropriations 29 and the allotment provisions of chapter 43.88 RCW.
- 30 (6) Disbursements from the account shall be made only on the authorization of the ((higher education coordinating board)) office of student financial assistance.
- 33 **Sec. 234.** RCW 28B.120.010 and 2010 c 245 s 7 are each amended to read as follows:
- 35 The Washington fund for innovation and quality in higher education 36 program is established. The ((higher education coordinating board))

office of financial management shall administer the program and shall 1 2 work in close collaboration with the state board for community and technical colleges and other local and regional entities. Through this 3 4 program the ((higher education coordinating board)) office of financial management may award on a competitive basis incentive grants to state 5 public or private nonprofit institutions of higher education or 6 consortia of institutions to encourage programs designed to address 7 8 specific system problems. Each institution or consortia 9 institutions receiving the award shall contribute some financial support, either by covering part of the costs for the program during 10 11 its implementation, or by assuming continuing support at the end of the 12 grant period. Strong priority will be given to proposals that involve 13 more than one sector of education. Institutions are encouraged to 14 solicit nonstate funds to support these cooperative programs.

15 **Sec. 235.** RCW 28B.120.020 and 2010 c 245 s 8 are each amended to read as follows:

The ((higher education coordinating board)) office of financial management shall have the following powers and duties in administering the program for those proposals in which a four-year institution of higher education is named as the lead institution and fiscal agent:

(1) To adopt rules necessary to carry out the program;

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- 22 (2) To award grants no later than September 1st in those years when 23 funding is available by June 30th;
  - (3) To establish each biennium specific guidelines for submitting grant proposals consistent with RCW 28B.120.005 and consistent with the strategic master plan for higher education, the system design plan, the overall goals of the program and the guidelines established by the state board for community and technical colleges under RCW 28B.120.025.

After June 30, 2001, and each biennium thereafter, the ((board)) office of financial management shall determine funding priorities for proposals for the biennium in consultation with ((the governor,)) the legislature, the office of the superintendent of public instruction, the state board for community and technical colleges, the workforce training and education coordinating board, higher education institutions, educational associations, and business and community groups consistent with statewide needs;

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1 (4) To solicit grant proposals and provide information to the institutions of higher education about the program; and

- (5) To establish reporting, evaluation, accountability, monitoring, and dissemination requirements for the recipients of the grants awarded by the ((higher education coordinating board)) office of financial management.
- **Sec. 236.** RCW 28B.120.025 and 1999 c 169 s 4 are each amended to 8 read as follows:

The state board for community and technical colleges has the following powers and duties in administering the program for those proposals in which a community or technical college is named as the lead institution and fiscal agent:

- (1) To adopt rules necessary to carry out the program;
- (2) To establish one or more review committees to assist in the evaluation of proposals for funding. The review committee shall include individuals with significant experience in higher education in areas relevant to one or more of the funding period priorities and shall include representatives from both the four-year and two-year sectors of higher education;
- (3) To award grants no later than September 1st in those years when funding is available by June 30th;
  - (4) To establish each biennium specific guidelines for submitting grant proposals consistent with the overall goals of the program and consistent with the guidelines established by the ((higher education coordinating board)) office of financial management under RCW 28B.120.020. During the 1999-01 biennium the guidelines shall be consistent with the following desired outcomes of:
  - (a) Minority and diversity initiatives that encourage the participation of minorities in higher education, including students with disabilities;
  - (b) K-12 teacher preparation models that encourage collaboration between higher education and K-12 to improve the preparedness of teachers, including provisions for higher education faculty involved with teacher preparation to spend time teaching in K-12 schools;
- 35 (c) Collaborative instructional programs involving K-12, community 36 and technical colleges, and four-year institutions of higher education 37 to develop a three-year degree program, or reduce the time to degree;

1 (d) Contracts with public or private institutions or businesses to 2 provide services or the development of collaborative programs;

- (e) Articulation and transfer activities to smooth the transfer of students from K-12 to higher education, or from the community colleges and technical colleges to four-year institutions;
- (f) Projects that further the development of learner-centered, technology-assisted course delivery; and
- (g) Projects that further the development of competency-based measurements of student achievement to be used as the basis for awarding degrees and certificates;
- (5) To solicit grant proposals and provide information to the community and technical colleges and private career schools; and
- 13 (6) To establish reporting, evaluation, accountability, monitoring, 14 and dissemination requirements for the recipients of the grants awarded 15 by the state board for community and technical colleges.
- **Sec. 237.** RCW 28B.120.030 and 1999 c 169 s 6 are each amended to read as follows:
  - The ((higher education coordinating board and the)) state board for community and technical colleges may solicit and receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of the program and may expend the same or any income therefrom according to the terms of the gifts, grants, or endowments.
- **Sec. 238.** RCW 28B.120.040 and 1999 c 169 s 7 are each amended to 25 read as follows:
  - The ((higher education coordinating board)) fund for innovation and quality is hereby established in the custody of the state treasurer. The ((higher education coordinating board)) office of financial management shall deposit in the fund all moneys received under RCW 28B.120.030. Moneys in the fund may be spent only for the purposes of RCW 28B.120.010 and 28B.120.020. Disbursements from the fund shall be on the authorization of the ((higher education coordinating board)) office of financial management. The fund is subject to the allotment procedure provided under chapter 43.88 RCW, but no appropriation is required for disbursements.

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- **Sec. 239.** RCW 28B.133.030 and 2003 c 19 s 4 are each amended to read as follows:
  - (1) The students with dependents grant account is created in the custody of the state treasurer. All receipts from the program shall be deposited into the account. Only the ((higher education coordinating board)) office of student financial assistance, or its designee, may authorize expenditures from the account. Disbursements from the account are exempt from appropriations and the allotment procedures under chapter 43.88 RCW.
  - (2) The ((board)) office may solicit and receive gifts, grants, or endowments from private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the educational assistance grant program. The ((executive)) director, or the ((executive)) director's designee, may spend gifts, grants, or endowments or income from the private sources according to their terms unless the receipt of the gifts, grants, or endowments violates RCW 42.17.710.
- 18 (3) The earnings on the account shall be used solely for the 19 purposes in RCW 28B.133.010, except when the terms of a conditional 20 gift of private moneys in the account require that a portion of 21 earnings on such moneys be reinvested in the account.
- **Sec. 240.** RCW 28B.133.040 and 2003 c 19 s 5 are each amended to 23 read as follows:
  - The ((higher education coordinating board)) office of student financial assistance shall develop and administer the educational assistance grant program for students with dependents. In administering the program, once the balance in the students with dependents grant account is five hundred thousand dollars, the ((board's)) office's powers and duties shall include but not be limited to:
    - (1) Adopting necessary rules and guidelines;
    - (2) Publicizing the program;

- 33 (3) Accepting and depositing donations into the grant account 34 established in RCW 28B.133.030; and
- 35 (4) Soliciting and accepting grants and donations from private 36 sources for the program.

1 **Sec. 241.** RCW 28B.133.050 and 2004 c 275 s 74 are each amended to read as follows:

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The educational assistance grant program for students with dependents grants may be used by eligible participants to attend any public or private college or university in the state of Washington as defined in RCW 28B.92.030. Each participating student may receive an amount to be determined by the ((higher education coordinating board)) office of student financial assistance, with a minimum amount of one thousand dollars per academic year, not to exceed the student's documented financial need for the course of study as determined by the institution.

Educational assistance grants for students with dependents are not intended to supplant any grant scholarship or tax program related to postsecondary education. If the ((higher education coordinating board)) office of student financial assistance finds that the educational assistance grants for students with dependents supplant or reduce any grant, scholarship, or tax program for categories of students, then the ((higher education coordinating board)) office shall adjust the financial eligibility criteria or the amount of the grant to the level necessary to avoid supplanting.

21 **Sec. 242.** RCW 28B.135.010 and 2010 1st sp.s. c 9 s 5 are each 22 amended to read as follows:

The four-year student child care in higher education account is established. The ((higher education coordinating board)) office of financial management shall administer the program for the four-year institutions of higher education. Through ((these)) this program((s)) the ((board)) office shall award either competitive or matching child care grants to state institutions of higher education to encourage programs to address the need for high quality, accessible, and affordable child care for students at higher education institutions. The grants shall be used exclusively for the provision of quality child care services for students at institutions of higher education. or college administration university and student association, or its equivalent, of each institution receiving the award may contribute financial support in an amount equal to or greater than the child care grant received by the institution.

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**Sec. 243.** RCW 28B.135.030 and 2008 c 162 s 3 are each amended to 2 read as follows:

The ((higher education coordinating board)) office of financial management shall have the following powers and duties in administering the program for the four-year institutions of higher education:

(1) To adopt rules necessary to carry out the program;

- (2) To establish one or more review committees to assist in the evaluation of proposals for funding. The review committees may receive input from parents, educators, and other experts in the field of early childhood education for this purpose;
- (3) To establish each biennium specific guidelines for submitting grant proposals consistent with the overall goals of the program. The guidelines shall be consistent with the following desired outcomes of increasing access to quality child care for students, providing affordable child care alternatives for students, creating a partnership between university or college administrations, university or college foundations, and student government associations, or their equivalents;
- (4) To proportionally distribute the amount of money available in the trust fund based on the financial support for child care received by the student government associations or their equivalents. Student government associations may solicit funds from private organizations and targeted fund-raising campaigns as part of their financial support for child care;
- (5) To solicit grant proposals and provide information to the institutions of higher education about the program;
- (6) To establish reporting, evaluation, accountability, monitoring, and dissemination requirements for the recipients of the grants; and
- (((7) To report to the appropriate committees of the legislature by December 15, 2008, and every two years thereafter, on the status of program design and implementation at the four year institutions of higher education. The report shall include but not be limited to summary information on the institutions receiving child care grant allocations, the amount contributed by each university or college administration and student government association for the purposes of child care including expenditures and reports for the previous biennium, services provided by each institutional child care center, the number of students using such services, and identifiable unmet need.)

Sec. 244. RCW 28B.135.040 and 2010 1st sp.s. c 9 s 4 are each amended to read as follows:

The four-year student child care in higher education account is established in the custody of the state treasurer. Moneys in the account may be spent only for the purposes of RCW 28B.135.010. Disbursements from the account shall be on the authorization of the ((higher education coordinating board)) office of financial management.

- 8 The account is subject to the allotment procedures under chapter 43.88
- 9 RCW, but no appropriation is required for disbursements.

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10 **Sec. 245.** RCW 28C.18.166 and 2009 c 238 s 5 are each amended to 11 read as follows:

12 On an annual basis, each opportunity internship consortium shall provide the board with a list of the opportunity internship graduates 13 from the consortium. The board shall compile the lists from all 14 consortia and shall notify the ((higher education coordinating board)) 15 16 office of student financial assistance of the eligibility of each graduate on the lists to receive a state need grant under chapter 17 28B.92 RCW if the graduate enrolls in a postsecondary program of study 18 within one year of high school graduation. 19

- 20 **Sec. 246.** RCW 39.86.130 and 2010 1st sp.s. c 6 s 7 are each 21 amended to read as follows:
  - (1) In granting an allocation, reallocation, or carryforward of the state ceiling as provided in this chapter, the agency shall consider existing state priorities and other such criteria, including but not limited to, the following criteria:
- 26 (a) Need of issuers to issue bonds within a bond use category 27 subject to a state ceiling;
  - (b) Amount of the state ceiling available;
- (c) Public benefit and purpose to be satisfied, including economic development, educational opportunity, and public health, safety, or welfare;
- 32 (d) Cost or availability of alternative methods of financing for 33 the project or program; and
- 34 (e) Certainty of using the allocation which is being requested.
- 35 (2) In determining whether to allocate an amount of the state

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- ceiling to an issuer within any bond use category, the agency shall consider, but is not limited to, the following criteria for each of the bond use categories:
  - (a) Housing: Criteria which comply with RCW 43.180.200.
  - (b) Student loans: Criteria which comply with the applicable provisions of Title 28B RCW and rules adopted by the ((higher education coordinating board)) office of student financial assistance or applicable state agency dealing with student financial aid.
    - (c) Small issue: Factors which may include:
- 10 (i) The number of employment opportunities the project is likely to create or retain in relation to the amount of the bond issuance;
- 12 (ii) The level of unemployment existing in the geographic area likely to be affected by the project;
- 14 (iii) A commitment to providing employment opportunities to low-15 income persons in cooperation with the employment security department;
  - (iv) Geographic distribution of projects;
  - (v) The number of persons who will benefit from the project;
- 18 (vi) Consistency with criteria identified in subsection (1) of this 19 section; and
- 20 (vii) Order in which requests were received.
- 21 (d) Exempt facility or redevelopment: Factors which may include:
- (i) State issuance needs;

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- 23 (ii) Consistency with criteria identified in subsection (1) of this 24 section;
- 25 (iii) Order in which requests were received;
- 26 (iv) The proportionate number of persons in relationship to the 27 size of the community who will benefit from the project; and
- (v) The unique timing and issuance needs of large scale projects that may require allocations in more than one year.
  - (e) Public utility: Factors which may include:
- 31 (i) Consistency with criteria identified in subsection (1) of this 32 section; and
- 33 (ii) Timing needs for issuance of bonds over a multi-year period.
- 34 **Sec. 247.** RCW 42.17.2401 and 2009 c 565 s 24 are each amended to read as follows:
- For the purposes of RCW 42.17.240, the term "executive state officer" includes:

law chief administrative judge, the director agriculture, the administrator of the Washington basic health plan, the director of the department of services for the blind, the director of the state system of community and technical colleges, the director of commerce, the secretary of corrections, the director of early learning, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling commission, the director of general administration, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority, the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, the director of the department of information services, the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, the director of personnel, the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each state community college;

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- (2) Each professional staff member of the office of the governor;
- (3) Each professional staff member of the legislature; and
- (4) Central Washington University board of trustees, the boards of trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, committee for deferred

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compensation, Eastern Washington University board of trustees, 1 2 Washington economic development finance authority, The Evergreen State College board of trustees, executive ethics board, forest practices 3 4 appeals board, forest practices board, gambling commission, life sciences discovery fund authority board of trustees, Washington health 5 care facilities authority, each member of the Washington health 6 7 services commission, ((higher education coordinating board,)) higher 8 education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence 9 10 review board, board of industrial insurance appeals, information services board, recreation and conservation funding board, state 11 12 investment board, commission on judicial conduct, legislative ethics 13 board, liquor control board, lottery commission, marine oversight board, Pacific Northwest electric power and conservation planning 14 15 council, parks and recreation commission, board of pilotage commissioners, pollution control hearings board, public disclosure 16 17 commission, public pension commission, shorelines hearings board, public employees' benefits board, salmon recovery funding board, board 18 19 of tax appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, Washington 20 21 state maritime commission, Washington personnel resources board, 22 Washington public power supply system executive board, Washington State University board of regents, Western Washington University board of 23 24 trustees, and fish and wildlife commission.

25 **Sec. 248.** RCW 42.17A.705 and 2010 c 204 s 902 are each amended to 26 read as follows:

For the purposes of RCW 42.17A.700, "executive state officer" includes:

(1) The chief administrative law judge, the director of agriculture, the director of the department of services for the blind, the director of the state system of community and technical colleges, the director of commerce, the secretary of corrections, the director of early learning, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling

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commission, the director of general administration, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority, the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, the director of the department of information services, the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, the director of personnel, the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each state community college;

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- (2) Each professional staff member of the office of the governor;
- (3) Each professional staff member of the legislature; and
- (4) Central Washington University board of trustees, the boards of trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, Eastern Washington University board of trustees, Washington economic development finance authority, Washington energy northwest executive board, The Evergreen State College board of trustees, executive ethics board, fish and wildlife commission, forest practices appeals board, forest practices board, gambling commission, Washington health care facilities authority, ((higher education coordinating board,)) higher education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, information services board, state investment board, commission on judicial conduct,

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legislative ethics board, life sciences discovery fund authority board 1 2 liquor control board, lottery commission, Northwest electric power and conservation planning council, parks and 3 4 recreation commission, Washington personnel resources board, board of pilotage commissioners, pollution control hearings board, public 5 6 disclosure commission, public employees' benefits board, recreation and 7 conservation funding board, salmon recovery funding board, shorelines 8 hearings board, board of tax appeals, transportation commission, 9 University of Washington board of regents, utilities and transportation 10 commission, Washington State University board of regents, and Western 11 Washington University board of trustees.

- 12 **Sec. 249.** RCW 43.41.400 and 2009 c 548 s 201 are each amended to read as follows:
  - (1) An education data center shall be established in the office of financial management. The education data center shall jointly, with legislative evaluation and accountability program committee, conduct collaborative analyses of early learning, K-12, and higher education programs and education issues across the P-20 system, which includes the department of early learning, the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the workforce training and education coordinating board, the ((higher education coordinating board)) office of student financial assistance, public and private nonprofit four-year institutions of higher education, and the employment security department. The education data center shall conduct collaborative analyses under this section with the legislative evaluation and accountability program committee and provide data electronically to the legislative evaluation and accountability program committee, to the extent permitted by state and federal confidentiality requirements. The education data center shall be considered an authorized representative of the state educational agencies in this section under applicable federal and state statutes for purposes of accessing and compiling student record data for research purposes.
    - (2) The education data center shall:

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36 (a) In consultation with the legislative evaluation and 37 accountability program committee and the agencies and organizations

participating in the education data center, identify the critical research and policy questions that are intended to be addressed by the education data center and the data needed to address the questions;

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- (b) Coordinate with other state education agencies to compile and analyze education data, including data on student demographics that is disaggregated by distinct ethnic categories within racial subgroups, and complete P-20 research projects;
- (c) Collaborate with the legislative evaluation and accountability program committee and the education and fiscal committees of the legislature in identifying the data to be compiled and analyzed to ensure that legislative interests are served;
- (d) Annually provide to the K-12 data governance group a list of data elements and data quality improvements that are necessary to answer the research and policy questions identified by the education data center and have been identified by the legislative committees in (c) of this subsection. Within three months of receiving the list, the K-12 data governance group shall develop and transmit to the education data center a feasibility analysis of obtaining or improving the data, including the steps required, estimated time frame, and the financial and other resources that would be required. Based on the analysis, the education data center shall submit, if necessary, a recommendation to the legislature regarding any statutory changes or resources that would be needed to collect or improve the data;
- (e) Monitor and evaluate the education data collection systems of the organizations and agencies represented in the education data center ensuring that data systems are flexible, able to adapt to evolving needs for information, and to the extent feasible and necessary, include data that are needed to conduct the analyses and provide answers to the research and policy questions identified in (a) of this subsection;
- (f) Track enrollment and outcomes through the public centralized higher education enrollment system;
- (g) Assist other state educational agencies' collaborative efforts to develop a long-range enrollment plan for higher education including estimates to meet demographic and workforce needs;
- (h) Provide research that focuses on student transitions within and 37 among the early learning, K-12, and higher education sectors in the P-20 system; and

p. 117 SB 5182 (i) Make recommendations to the legislature as necessary to help ensure the goals and objectives of this section and RCW 28A.655.210 and 28A.300.507 are met.

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- 4 (3) The department of early learning, superintendent of public instruction, professional educator standards board, state board of 5 education, state board for community and technical colleges, workforce 6 7 and education coordinating board, ((higher education coordinating board)) office of student financial assistance, public 8 9 four-year institutions of higher education, and employment security 10 department shall work with the education data center to develop data-11 sharing and research agreements, consistent with applicable security 12 and confidentiality requirements, to facilitate the work of the center. 13 Private, nonprofit institutions of higher education that provide programs of education beyond the high school level leading at least to 14 the baccalaureate degree and are accredited by the Northwest 15 association of schools and colleges or their peer accreditation bodies 16 17 also develop data-sharing and research agreements 18 education data center, consistent with applicable security and 19 confidentiality requirements. The education data center shall make data from collaborative analyses available to the education agencies 20 21 and institutions that contribute data to the education data center to 22 the extent allowed by federal and state security and confidentiality 23 requirements applicable to the data of each contributing agency or 24 institution.
- 25 **Sec. 250.** RCW 43.105.825 and 2004 c 275 s 62 are each amended to 26 read as follows:
  - (1) In overseeing the technical aspects of the K-20 network, the information services board is not intended to duplicate the statutory responsibilities of the ((higher education coordinating board)) office of student financial assistance, the superintendent of public instruction, the information services board, the state librarian, or the governing boards of the institutions of higher education.
  - (2) The board may not interfere in any curriculum or legally offered programming offered over the network.
- 35 (3) The responsibility to review and approve standards and common 36 specifications for the network remains the responsibility of the 37 information services board under RCW 43.105.041.

(4) The coordination of telecommunications planning for the common schools remains the responsibility of the superintendent of public instruction. Except as set forth in RCW 43.105.041(1)(d), the board may recommend, but not require, revisions to the superintendent's telecommunications plans.

- **Sec. 251.** RCW 74.13.570 and 2005 c 93 s 2 are each amended to read as follows:
  - (1) The department shall establish an oversight committee composed of staff from the children's administration of the department, the office of the superintendent of public instruction, the ((higher education coordinating board)) office of student financial assistance, foster youth, former foster youth, foster parents, and advocacy agencies to develop strategies for maintaining foster children in the schools they were attending at the time they entered foster care and to promote opportunities for foster youth to participate in postsecondary education or training.
  - (2) The duties of the oversight committee shall include, but are not limited to:
- 19 (a) Developing strategies for school-based recruitment of foster 20 homes;
  - (b) Monitoring the progress of current pilot projects that assist foster children to continue attending the schools they were attending at the time they entered foster care;
    - (c) Overseeing the expansion of the number of pilot projects;
  - (d) Promoting the use of best practices, throughout the state, demonstrated by the pilot projects and other programs relating to maintaining foster children in the schools they were attending at the time they entered foster care;
  - (e) Informing the legislature of the status of efforts to maintain foster children in the schools they were attending at the time they entered foster care;
  - (f) Assessing the scope and nature of statewide need among current and former foster youth for assistance to pursue and participate in postsecondary education or training opportunities;
- 35 (g) Identifying available sources of funding available in the state 36 for services to former foster youth to pursue and participate in 37 postsecondary education or training opportunities;

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- 1 (h) Reviewing the effectiveness of activities in the state to 2 support former foster youth to pursue and participate in postsecondary 3 education or training opportunities;
  - (i) Identifying new activities, or existing activities that should be modified or expanded, to best meet statewide needs; and
- 6 (j) Reviewing on an ongoing basis the progress toward improving 7 educational and vocational outcomes for foster youth.
- 8 <u>NEW SECTION.</u> **Sec. 252.** The following acts or parts of acts are 9 each repealed:
- 10 (1) RCW 28B.15.736 (Washington/Oregon reciprocity tuition and fee 11 program--Program review) and 1985 c 370 s 72, 1983 c 104 s 2, & 1979 c 12 80 s 4;
  - (2) RCW 28B.76.030 (Purpose) and 2004 c 275 s 1;

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- 14 (3) RCW 28B.76.040 (Members--Appointment) and 2002 c 348 s 1, 2002 c 129 s 1, & 1985 c 370 s 10;
- 16 (4) RCW 28B.76.050 (Members--Terms) and 2007 c 458 s 101, 2004 c 17 275 s 3, 2002 c 129 s 2, & 1985 c 370 s 11;
- 18 (5) RCW 28B.76.060 (Members--Vacancies) and 1985 c 370 s 12;
- 19 (6) RCW 28B.76.070 (Bylaws--Meetings) and 1985 c 370 s 13;
- 20 (7) RCW 28B.76.080 (Members--Compensation and travel expenses) and 21 1985 c 370 s 16, 1984 c 287 s 65, 1975-'76 2nd ex.s. c 34 s 77, & 1969 22 ex.s. c 277 s 12;
- 23 (8) RCW 28B.76.200 (Statewide strategic master plan for higher 24 education--Institution-level strategic plans) and 2007 c 458 s 201, 25 2004 c 275 s 6, & 2003 c 130 s 2;
- 26 (9) RCW 28B.76.230 (Needs assessment process and analysis-27 Recommendations--Activities requiring board approval) and 2010 c 245 s
  28 5, 2005 c 258 s 11, & 2004 c 275 s 9;
- 29 (10) RCW 28B.76.240 (Statewide transfer and articulation policies) 30 and 2004 c 275 s 10, 1998 c 245 s 23, 1985 c 370 s 27, & 1983 c 304 s 31 1;
- 32 (11) RCW 28B.76.2401 (Statewide transfer of credit policy and 33 agreement--Requirements) and 2004 c 55 s 5 & 1983 c 304 s 2;
- 34 (12) RCW 28B.76.250 (Transfer associate degrees--Work groups--35 Implementation--Progress reports) and 2004 c 55 s 2;
- 36 (13) RCW 28B.76.260 (Statewide system of course equivalency--Work 37 group) and 2004 c 55 s 3;

(14) RCW 28B.76.270 (Accountability monitoring and reporting system--Institution biennial plans and performance targets--Biennial reports to the legislature) and 2004 c 275 s 11;

- (15) RCW 28B.76.280 (Data collection and research--Privacy protection) and 2010 1st sp.s. c 7 s 58 & 2004 c 275 s 12;
- (16) RCW 28B.76.330 (Coordination, articulation, and transitions among systems of education--Biennial updates to legislature) and 2004 c 275 s 17 & 1994 c 222 s 3;
- 9 (17) RCW 28B.76.530 (Board may develop and administer demonstration projects) and 1989 c 306 s 2; and
- 11 (18) RCW 28B.115.060 (Eligible credentialed health care 12 professions--Required service obligations) and 1991 c 332 s 19.
  - NEW SECTION. Sec. 253. (1) The higher education coordinating board is abolished. All powers, duties, and functions of the higher education coordinating board pertaining to student financial assistance are transferred to the office of student financial assistance. All references to the executive director or the higher education coordinating board in the Revised Code of Washington shall be construed to mean the director or the office of student financial assistance when referring to the functions transferred in this section.
  - (2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the higher education coordinating board pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the office of student financial assistance. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the higher education coordinating board in carrying out the powers, functions, and duties transferred shall be made available to the office of student financial assistance. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the office of student financial assistance.
  - (b) Any appropriations made to the higher education coordinating board for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the office of student financial assistance.
  - (c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment,

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or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

- (3) All employees of the higher education coordinating board engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the office of student financial assistance. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the office of student financial assistance to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.
- (4) All rules and all pending business before the higher education coordinating board pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the office of student financial assistance. All existing contracts and obligations shall remain in full force and shall be performed by the office of student financial assistance.
- (5) The transfer of the powers, duties, functions, and personnel of the higher education coordinating board shall not affect the validity of any act performed before the effective date of this section.
- (6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.
- (7) All classified employees of the higher education coordinating board assigned to the office of student financial assistance under this section whose positions are within an existing bargaining unit description at the office of student financial assistance shall become a part of the existing bargaining unit at the office of student financial assistance and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

1 PART II

## OFFICE OF FINANCIAL MANAGEMENT

Sec. 301. RCW 28B.76.210 and 2010 c 245 s 10 are each amended to read as follows:

- (1) ((The board shall collaborate with the four year institutions including the council of presidents, the community and technical college system, and when appropriate the workforce training and education coordinating board, the superintendent of public instruction, and the independent higher educational institutions to identify budget priorities and levels of funding for higher education, including the two and four year institutions of higher education and state financial aid programs. It is the intent of the legislature that recommendations from the board reflect not merely the sum of budget requests from multiple institutions, but prioritized funding needs for the overall system of higher education.
- (2) By December of each odd-numbered year, the board shall distribute guidelines which outline the board's fiscal priorities to the institutions and the state board for community and technical colleges.
- (a) The institutions and the state board for community and technical colleges shall submit an outline of their proposed operating budgets to the board no later than July 1st of each even numbered year. Pursuant to guidelines developed by the board, operating budget outlines submitted by the institutions and the state board for community and technical colleges after January 1, 2007, shall include all policy changes and enhancements that will be requested by the institutions and the state board for community and technical colleges in their respective biennial budget requests. Operating budget outlines shall include a description of each policy enhancement, the dollar amount requested, and the fund source being requested.
- (b))) Capital budget outlines for the two-year institutions shall be submitted by the state board for community and technical colleges to the office by August 15th of each even-numbered year, and shall include the prioritized ranking of the capital projects being requested, a description of each capital project, and the amount and fund source being requested.
- $((\frac{c}{c}))$  (2) Capital budget outlines for the four-year institutions must be submitted by each four-year institution to the office by August

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15th of each even-numbered year, and must include: The institutions' priority ranking of the project; the capital budget category within which the project will be submitted ((to the office of financial management)) in accordance with RCW 43.88D.010; a description of each capital project; and the amount and fund source being requested.

- $((\frac{d}{d}))$  (3) The office  $(\frac{d}{d})$  management) shall reference these reporting requirements in its budget instructions.
- (((3))) (4) The ((board)) office shall review and evaluate the operating and capital budget requests from four-year institutions and the community and technical college system based on how the requests align with the ((board's)) budget priorities((-)) and the missions of the institutions((-) and the statewide strategic master plan for higher education under RCW 28B.76.200)).
- ((4) The board shall submit recommendations on the proposed operating budget and priorities to the office of financial management by October 1st of each even numbered year, and to the legislature by January 1st of each odd numbered year.))
- (5) The ((board's)) capital budget recommendations for the community and technical college system and the four-year institutions must be submitted to the ((office of financial management)) and to the legislature by November 15th of each even-numbered year. The ((board's)) recommendations for the four-year institutions must include a single, prioritized list of the major projects that the ((board)) office recommends be funded with state bond and building account appropriations during the forthcoming fiscal biennium. In developing this single prioritized list, the ((board)) office shall:
- (a) Seek to identify the combination of projects that will most cost-effectively achieve the state's goals. These goals include increasing baccalaureate and graduate degree production, particularly in high-demand fields; promoting economic development through research and innovation; providing quality, affordable educational environments; preserving existing assets; and maximizing the efficient utilization of instructional space;
- (b) Be guided by the objective analysis and scoring of capital budget projects ((completed by the office of financial management)) pursuant to chapter 43.88D RCW;
- (c) Anticipate (i) that state bond and building account appropriations continue at the same level during each of the two

subsequent fiscal biennia as has actually been appropriated for the baccalaureate institutions during the current one; (ii) that major projects funded for design during a biennium are funded for construction during the subsequent one before state appropriations are provided for new major projects; and (iii) that minor health, safety, code, and preservation projects are funded at the same average level as in recent biennia before state appropriations are provided for new major projects.

(((6) Institutions and the state board for community and technical colleges shall submit any supplemental budget requests and revisions to the board at the same time they are submitted to the office of financial management. The board shall submit recommendations on the proposed supplemental budget requests to the office of financial management by November 1st and to the legislature by January 1st.))

**Sec. 302.** RCW 28B.76.290 and 1993 c 77 s 2 are each amended to read as follows:

The ((board)) office shall ((coordinate educational activities among all segments of higher education taking into account the educational programs, facilities, and other resources of both public and independent two and four year colleges and universities. The four year institutions and the state board for community and technical colleges shall coordinate information and activities with the board. The board shall have the following additional responsibilities:

(1) Promote interinstitutional cooperation;

(2))) <u>e</u>stablish minimum admission standards for four-year institutions, including a requirement that coursework in American sign language or an American Indian language shall satisfy any requirement for instruction in a language other than English that the ((board)) office or the institutions may establish as a general undergraduate admissions requirement( $(\dot{\tau})$ 

(3) Establish transfer policies;

- (4) Adopt rules implementing statutory residency requirements;
- 33 (5) Develop and administer reciprocity agreements with bordering 34 states and the province of British Columbia;
  - (6) Review and recommend compensation practices and levels for administrative employees, exempt under chapter 28B.16 RCW, and faculty using comparative data from peer institutions;

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(7) Monitor higher education activities for compliance with all relevant state policies for higher education;

- (8) Arbitrate disputes between and among four-year institutions or between and among four-year institutions and community colleges at the request of one or more of the institutions involved, or at the request of the governor, or from a resolution adopted by the legislature. The decision of the board shall be binding on the participants in the dispute;
- (9) Establish and implement a state system for collecting, analyzing, and distributing information;
- 11 (10) Recommend to the governor and the legislature ways to remove 12 any economic incentives to use off-campus program funds for on-campus 13 activities; and
- (11) Make recommendations to increase minority participation, and monitor and report on the progress of minority participation in higher education)).
  - Sec. 303. RCW 28B.76.300 and 2004 c 275 s 14 are each amended to read as follows:
  - (1) The ((board)) office shall annually develop information on the approximate amount of state support that students receive. For students at state-supported colleges and universities, the information shall include the approximate level of support received by students in each tuition category. That information may include consideration of the following: Expenditures included in the educational cost formula, revenue forgiven from waived tuition and fees, state-funded financial aid awarded to students at public institutions, and all or a portion of appropriated amounts not reflected in the educational cost formula for institutional programs and services that may affect or enhance the educational experience of students at a particular institution. For students attending a private college, university, or proprietary school, the information shall include the amount of state-funded financial aid awarded to students attending the institution.
  - (2) Beginning July 30, 1993, the ((board)) office shall annually provide information appropriate to each institution's student body to each state-supported four-year institution of higher education and to the state board for community and technical colleges for distribution to community colleges and technical colleges.

(3) Beginning July 30, 1993, the ((board)) office shall annually provide information on the level of financial aid received by students at that institution to each private university, college, or proprietary school, that enrolls students receiving state-funded financial aid.

- (4) Beginning with the 1997 fall academic term, each institution of higher education described in subsection (2) or (3) of this section shall provide to students at the institution information on the approximate amount that the state is contributing to the support of their education. Information provided to students at each statesupported college and university shall include the approximate amount of state support received by students in each tuition category at that The amount of state support shall be based on the institution. information provided by the ((board)) office under subsections (1) through (3) of this section. The information shall be provided to students at the beginning of each academic term through one or more of Registration materials, class schedules, tuition and the following: fee billing packets, student newspapers, or via e-mail or kiosk.
- Sec. 304. RCW 28B.76.310 and 2004 c 275 s 15 are each amended to read as follows:
- (1) The ((board)) education research data center, in consultation with the house of representatives and senate committees responsible for higher education, the respective fiscal committees of the house of representatives and senate, ((the office of financial management,)) the state board for community and technical colleges, and the state institutions of higher education, shall develop standardized methods and protocols for measuring the undergraduate and graduate educational costs for the state universities, regional universities, The Evergreen State College, and community colleges, including but not limited to the costs of instruction, costs to provide degrees in specific fields, and costs for precollege remediation.
- (2) ((By December 1, 2004, the board must propose a schedule of regular cost study reports intended to meet the information needs of the governor's office and the legislature and the requirements of RCW 28B.76.300 and submit the proposed schedule to the higher education and fiscal committees of the house of representatives and the senate for their review.

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- (3)) The institutions of higher education, as defined in RCW 28B.10.016, shall participate in the development of cost study methods and shall provide all necessary data in a timely fashion consistent with the protocols developed.
- **Sec. 305.** RCW 28B.76.340 and 2010 c 235 s 508 are each amended to read as follows:

- (1) The ((board)) office must establish boundaries for service regions for institutions of higher education as defined in RCW 28B.10.016 implementing professional educator standards board-approved educator preparation programs. Regions shall be established to encourage and support, not exclude, the reach of public institutions of higher education across the state.
- (2) ((Based on the data in the assessment in RCW 28B.76.230 and 28B.76.335,)) The ((board)) office of financial management shall determine whether reasonable teacher preparation program access for prospective teachers is available in each region. If access is determined to be inadequate in a region, the institution of higher education responsible for the region shall submit a plan for meeting the access need to the ((board)) office of financial management.
- 20 (3) Partnerships with other teacher preparation program providers 21 and the use of appropriate technology shall be considered. The 22 ((board)) office of financial management shall review the plan and, as 23 appropriate, assist the institution in developing support and resources 24 for implementing the plan.
- **Sec. 306.** RCW 28B.10.020 and 2004 c 275 s 47 are each amended to 26 read as follows:

The boards of regents of the University of Washington and Washington State University, respectively, and the boards of trustees of Central Washington University, Eastern Washington University, Western Washington University, and The Evergreen State College, respectively, shall have the power and authority to acquire by exchange, gift, purchase, lease, or condemnation in the manner provided by chapter 8.04 RCW for condemnation of property for public use, such lands, real estate and other property, and interests therein as they may deem necessary for the use of said institutions respectively.

However, the purchase or lease of major off-campus facilities is subject to the approval of the ((higher education coordinating board under RCW 28B.76.230)) office of financial management.

- Sec. 307. RCW 28B.15.460 and 1997 c 5 s 2 are each amended to read as follows:
- (1) An institution of higher education shall not grant any waivers for the purpose of achieving gender equity until the 1991-92 academic year, and may grant waivers for the purpose of achieving gender equity in intercollegiate athletic programs as authorized in RCW 28B.15.740, for the 1991-92 academic year only if the institution's governing board has adopted a plan for complying with the provisions of RCW 28B.15.455 and submitted the plan to the ((higher education coordinating board)) office of financial management.
- (2)(a) Beginning in the 1992-93 academic year, an institution of higher education shall not grant any waiver for the purpose of achieving gender equity in intercollegiate athletic programs as authorized in RCW 28B.15.740 unless the institution's plan has been approved by the ((higher education coordinating board)) office of financial management.
- (b) Beginning in the 1999-2000 academic year, an institution that did not provide, by June 30, 1998, athletic opportunities for an historically underrepresented gender class at a rate that meets or exceeds the current rate at which that class participates in high school athletics in Washington state shall have a new institutional plan approved by the ((higher education coordinating board)) office of financial management before granting further waivers.
- (c) Beginning in the 2003-04 academic year, an institution of higher education that was not within five percent of the ratio of undergraduates described in RCW 28B.15.470 by June 30, 2002, shall have a new plan for achieving gender equity in intercollegiate athletic programs approved by the ((higher education coordinating board)) office of financial management before granting further waivers.
  - (3) The plan shall include, but not be limited to:
- (a) For any institution with an historically underrepresented gender class described in subsection (2)(b) of this section, provisions that ensure that by July 1, 2000, the institution shall provide athletic opportunities for the underrepresented gender class at a rate

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that meets or exceeds the current rate at which that class participates in high school interscholastic athletics in Washington state not to exceed the point at which the underrepresented gender class is no longer underrepresented;

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- (b) For any institution with an underrepresented gender class described in subsection (2)(c) of this section, provisions that ensure that by July 1, 2004, the institution will have reached substantial proportionality in its athletic program;
- 9 (c) Activities to be undertaken by the institution to increase 10 participation rates of any underrepresented gender class interscholastic and intercollegiate athletics. These activities may 11 12 include, but are not limited to: Sponsoring equity conferences, 13 coaches clinics and sports clinics; and taking a leadership role in working with athletic conferences to reduce barriers to participation 14 by those gender classes in interscholastic and intercollegiate 15 athletics; 16
  - (d) An identification of barriers to achieving and maintaining equitable intercollegiate athletic opportunities for men and women; and
- 19 (e) Measures to achieve institutional compliance with the 20 provisions of RCW 28B.15.455.
- 21 **Sec. 308.** RCW 28B.15.465 and 1997 c 5 s 3 are each amended to read 22 as follows:
- (1) The ((higher education coordinating board)) office of financial management shall report every four years, beginning December 1998, to the governor and the house of representatives and senate committees on higher education, on institutional efforts to comply with the requirements of RCW 28B.15.740, 28B.15.455, and 28B.15.460. Each report shall include recommendations on measures to assist institutions with compliance.
- 30 (2) Before the board makes its report in December 2006, the board 31 shall assess the extent of institutional compliance with the 32 requirements of RCW 28B.15.740, 28B.15.455, and 28B.15.460.
- 33 (3) The report in this section may be combined with the report required in RCW 28B.110.040(3).
- 35 **Sec. 309.** RCW 28B.20.130 and 2010 c 51 s 1 are each amended to read as follows:

General powers and duties of the board of regents are as follows:

- (1) To have full control of the university and its property of various kinds, except as otherwise provided by law.
- (2) To employ the president of the university, his or her assistants, members of the faculty, and employees of the institution, who except as otherwise provided by law, shall hold their positions during the pleasure of said board of regents.
- (3) Establish entrance requirements for students seeking admission to the university which meet or exceed the standards ((specified under RCW 28B.76.290(2))) adopted by the office of financial management. Completion of examinations satisfactory to the university may be a prerequisite for entrance by any applicant at the university's discretion. Evidence of completion of public high schools and other educational institutions whose courses of study meet the approval of the university may be acceptable for entrance.
- (4) Establish such colleges, schools, or departments necessary to carry out the purpose of the university and not otherwise proscribed by law.
- (5) With the assistance of the faculty of the university, prescribe the course of study in the various colleges, schools, and departments of the institution and publish the necessary catalogues thereof.
- (6) Grant to students such certificates or degrees as recommended for such students by the faculty. The board, upon recommendation of the faculty, may also confer honorary degrees upon persons other than graduates of this university in recognition of their learning or devotion to literature, art, or science: PROVIDED, That no degree shall ever be conferred in consideration of the payment of money or the giving of property of whatsoever kind.
- (7) Accept such gifts, grants, conveyances, bequests, and devises, whether real or personal property, or both, in trust or otherwise, for the use or benefit of the university, its colleges, schools, departments, or agencies; and sell, lease or exchange, invest or expend the same or the proceeds, rents, profits, and income thereof except as limited by the terms of said gifts, grants, conveyances, bequests, and devises. The board shall adopt proper rules to govern and protect the receipt and expenditure of the proceeds of all fees, and the proceeds, rents, profits, and income of all gifts, grants, conveyances, bequests, and devises above-mentioned.

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1 (8) Except as otherwise provided by law, to enter into such 2 contracts as the regents deem essential to university purposes.

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- (9) To submit upon request such reports as will be helpful to the governor and to the legislature in providing for the institution.
- (10) Subject to the approval of the ((higher education coordinating board pursuant to RCW 28B.76.230)) office of financial management, offer new degree programs, offer off-campus programs, participate in consortia or centers, contract for off-campus educational programs, and purchase or lease major off-campus facilities.
- 10 (11) To confer honorary degrees upon persons who request an honorary degree if they were students at the university in 1942 and did 11 12 not graduate because they were ordered into an internment camp. 13 honorary degree may also be requested by a representative of deceased 14 persons who meet these requirements. For the purposes of this subsection, "internment camp" means a relocation center to which 15 16 persons were ordered evacuated by Presidential Executive Order 9066, 17 signed February 19, 1942.
- 18 **Sec. 310.** RCW 28B.20.280 and 1985 c 370 s 82 are each amended to read as follows:

The board of regents of the University of Washington may offer masters level and doctorate level degrees in technology subject to review and approval by the ((higher education coordinating board)) office of financial management.

24 **Sec. 311.** RCW 28B.30.150 and 2010 c 51 s 2 are each amended to 25 read as follows:

The regents of Washington State University, in addition to other duties prescribed by law, shall:

- 28 (1) Have full control of the university and its property of various 29 kinds, except as otherwise provided by law.
- 30 (2) Employ the president of the university, his or her assistants, 31 members of the faculty, and employees of the university, who, except as 32 otherwise provided by law, shall hold their positions during the 33 pleasure of said board of regents.
- 34 (3) Establish entrance requirements for students seeking admission 35 to the university which meet or exceed the standards ((specified under 36 RCW 28B.76.290(2))) adopted by the office of financial management.

Completion of examinations satisfactory to the university may be a prerequisite for entrance by any applicant, at the university's discretion. Evidence of completion of public high schools and other educational institutions whose courses of study meet the approval of the university may be acceptable for entrance.

- (4) Establish such colleges, schools, or departments necessary to carry out the purpose of the university and not otherwise proscribed by law.
- (5) Subject to the approval of the ((higher education coordinating board pursuant to RCW 28B.76.230)) office of financial management, offer new degree programs, offer off-campus programs, participate in consortia or centers, contract for off-campus educational programs, and purchase or lease major off-campus facilities.
- (6) With the assistance of the faculty of the university, prescribe the courses of instruction in the various colleges, schools, and departments of the institution and publish the necessary catalogues thereof.
- (7) Collect such information as the ((board)) office of financial management deems desirable as to the schemes of technical instruction adopted in other parts of the United States and foreign countries.
- (8) Provide for holding agricultural institutes including farm marketing forums.
- (9) Provide that instruction given in the university, as far as practicable, be conveyed by means of laboratory work and provide in connection with the university one or more physical, chemical, and biological laboratories, and suitably furnish and equip the same.
- (10) Provide training in military tactics for those students electing to participate therein.
- (11) Establish a department of elementary science and in connection therewith provide instruction in elementary mathematics, including elementary trigonometry, elementary mechanics, elementary and mechanical drawing, and land surveying.
- (12) Establish a department of agriculture and in connection therewith provide instruction in physics with special application of its principles to agriculture, chemistry with special application of its principles to agriculture, morphology and physiology of plants with special reference to common grown crops and fungus enemies, morphology and physiology of the lower forms of animal life, with special

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reference to insect pests, morphology and physiology of the higher forms of animal life and in particular of the horse, cow, sheep, and swine, agriculture with special reference to the breeding and feeding of livestock and the best mode of cultivation of farm produce, and mining and metallurgy, appointing demonstrators in each of these subjects to superintend the equipment of a laboratory and to give practical instruction therein.

- (13) Establish agricultural experiment stations in connection with the department of agriculture, including at least one in the western portion of the state, and appoint the officers and prescribe regulations for their management.
- 12 (14) Grant to students such certificates or degrees, as recommended 13 for such students by the faculty.
  - (15) Confer honorary degrees upon persons other than graduates of the university in recognition of their learning or devotion to literature, art, or science when recommended thereto by the faculty: PROVIDED, That no degree shall ever be conferred in consideration of the payment of money or the giving of property of whatsoever kind.
  - (16) Adopt plans and specifications for university buildings and facilities or improvements thereto and employ skilled architects and engineers to prepare such plans and specifications and supervise the construction of buildings or facilities which the board is authorized to erect, and fix the compensation for such services. The board shall enter into contracts with one or more contractors for such suitable buildings, facilities, or improvements as the available funds will warrant, upon the most advantageous terms offered at a public competitive letting, pursuant to public notice under rules established by the board. The board shall require of all persons with whom they contract for construction and improvements a good and sufficient bond for the faithful performance of the work and full protection against all liens.
  - (17) Except as otherwise provided by law, direct the disposition of all money appropriated to or belonging to the state university.
  - (18) Receive and expend the money appropriated under the act of congress approved May 8, 1914, entitled "An Act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the Act of Congress approved July 2, 1862, and Acts supplemental thereto and the

United States Department of Agriculture" and organize and conduct agricultural extension work in connection with the state university in accordance with the terms and conditions expressed in the acts of congress.

- (19) Except as otherwise provided by law, to enter into such contracts as the regents deem essential to university purposes.
- (20) Acquire by lease, gift, or otherwise, lands necessary to further the work of the university or for experimental or demonstrational purposes.
- (21) Establish and maintain at least one agricultural experiment station in an irrigation district to conduct investigational work upon the principles and practices of irrigational agriculture including the utilization of water and its relation to soil types, crops, climatic conditions, ditch and drain construction, fertility investigations, plant disease, insect pests, marketing, farm management, utilization of fruit by-products, and general development of agriculture under irrigation conditions.
- (22) Supervise and control the agricultural experiment station at Puyallup.
- (23) Establish and maintain at Wenatchee an agricultural experiment substation for the purpose of conducting investigational work upon the principles and practices of orchard culture, spraying, fertilization, pollenization, new fruit varieties, fruit diseases and pests, byproducts, marketing, management, and general horticultural problems.
- (24) Accept such gifts, grants, conveyances, devises, and bequests, whether real or personal property, in trust or otherwise, for the use or benefit of the university, its colleges, schools, or departments; and sell, lease or exchange, invest or expend the same or the proceeds, rents, profits, and income thereof except as limited by the terms of said gifts, grants, conveyances, bequests, and devises; and adopt proper rules to govern and protect the receipt and expenditure of the proceeds of all fees, and the proceeds, rents, profits, and income of all gifts, grants, conveyances, bequests, and devises.
- (25) Construct when the board so determines a new foundry and a mining, physical, technological building, and fabrication shop at the university, or add to the present foundry and other buildings, in order that both instruction and research be expanded to include permanent molding and die casting with a section for new fabricating techniques,

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- especially for light metals, including magnesium and aluminum; purchase 1 2 equipment for the shops and laboratories in mechanical, electrical, and civil engineering; establish a pilot plant for the extraction of 3 4 alumina from native clays and other possible light metal research; purchase equipment for a research laboratory for technological research 5 generally; and purchase equipment for research in electronics, 6 7 instrumentation, energy sources, plastics, food technology, mechanics 8 of materials, hydraulics, and similar fields.
- 9 (26) Make and transmit to the governor and members of the 10 legislature upon request such reports as will be helpful in providing 11 for the institution.
- 12 (27) Confer honorary degrees upon persons who request an honorary 13 degree if they were students at the university in 1942 and did not graduate because they were ordered into an internment camp. 14 The honorary degree may also be requested by a representative of deceased 15 16 persons who meet these requirements. For the purposes of this 17 subsection, "internment camp" means a relocation center to which 18 persons were ordered evacuated by Presidential Executive Order 9066, signed February 19, 1942. 19
- 20 **Sec. 312.** RCW 28B.30.500 and 1985 c 370 s 83 are each amended to read as follows:
- The board of regents of Washington State University may offer masters level and doctorate level degrees in technology subject to review and approval by the ((higher education coordinating board)) office of financial management.
- 26 **Sec. 313.** RCW 28B.35.120 and 2006 c 263 s 824 are each amended to read as follows:
- In addition to any other powers and duties prescribed by law, each board of trustees of the respective regional universities:
- 30 (1) Shall have full control of the regional university and its 31 property of various kinds, except as otherwise provided by law.
- (2) Shall employ the president of the regional university, ((his))
  the president's assistants, members of the faculty, and other employees
  of the institution, who, except as otherwise provided by law, shall
  hold their positions, until discharged therefrom by the board for good
  and lawful reason.

(3) With the assistance of the faculty of the regional university, shall prescribe the course of study in the various schools and departments thereof and publish such catalogues thereof as the board deems necessary: PROVIDED, That the Washington professional educator standards board shall determine the requisites for and give program approval of all courses leading to teacher certification by such board.

- (4) Establish such divisions, schools or departments necessary to carry out the purposes of the regional university and not otherwise proscribed by law.
- (5) Except as otherwise provided by law, may establish and erect such new facilities as determined by the board to be necessary for the regional university.
- 13 (6) May acquire real and other property as provided in RCW 28B.10.020, as now or hereafter amended.
  - (7) Except as otherwise provided by law, may purchase all supplies and purchase or lease equipment and other personal property needed for the operation or maintenance of the regional university.
  - (8) May establish, lease, operate, equip and maintain self-supporting facilities in the manner provided in RCW 28B.10.300 through 28B.10.330, as now or hereafter amended.
  - (9) Except as otherwise provided by law, to enter into such contracts as the trustees deem essential to regional university purposes.
  - (10) May receive such gifts, grants, conveyances, devises and bequests of real or personal property from whatsoever source, as may be made from time to time, in trust or otherwise, whenever the terms and conditions thereof will aid in carrying out the regional university programs; sell, lease or exchange, invest or expend the same or the proceeds, rents, profits and income thereof except as limited by the terms and conditions thereof; and adopt regulations to govern the receipt and expenditure of the proceeds, rents, profits and income thereof.
  - (11) Subject to the approval of the ((higher education coordinating board pursuant to RCW 28B.76.230)) office of financial management, offer new degree programs, offer off-campus programs, participate in consortia or centers, contract for off-campus educational programs, and purchase or lease major off-campus facilities.

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- (12) May promulgate such rules ((and regulations)), and perform all other acts not forbidden by law, as the board of trustees may in its discretion deem necessary or appropriate to the administration of the regional university.
- **Sec. 314.** RCW 28B.35.205 and 2010 c 51 s 3 are each amended to 6 read as follows:

- (1) In addition to all other powers and duties given to them by law, Central Washington University, Eastern Washington University, and Western Washington University are hereby authorized to grant any degree through the master's degree to any student who has completed a program of study and/or research in those areas which are determined by the faculty and board of trustees of the college to be appropriate for the granting of such degree: PROVIDED, That before any degree is authorized under this section it shall be subject to the review and approval of the ((higher education coordinating board)) office of financial management.
- (2) The board of trustees, upon recommendation of the faculty, may also confer honorary bachelor's, master's, or doctorate level degrees upon persons in recognition of their learning or devotion to education, literature, art, or science. No degree may be conferred in consideration of the payment of money or the donation of any kind of property.
- (3) The board of trustees may also confer honorary degrees upon persons who request an honorary degree if they were students at the university in 1942 and did not graduate because they were ordered into an internment camp. The honorary degree may also be requested by a representative of deceased persons who meet these requirements. For the purposes of this subsection, "internment camp" means a relocation center to which persons were ordered evacuated by Presidential Executive Order 9066, signed February 19, 1942.
- **Sec. 315.** RCW 28B.35.215 and 2001 c 252 s 1 are each amended to read as follows:
- 33 The board of trustees of Eastern Washington University may offer 34 applied, but not research, doctorate level degrees in physical therapy 35 subject to review and approval by the ((higher education coordinating 36 board)) office of financial management.

**Sec. 316.** RCW 28B.38.010 and 2004 c 275 s 55 are each amended to 2 read as follows:

- (1) The Spokane intercollegiate research and technology institute is created.
- (2) The institute shall be operated and administered as a multi-institutional education and research center, housing appropriate programs conducted in Spokane under the authority of institutions of higher education as defined in RCW 28B.10.016. Washington independent and private institutions of higher education may participate as full partners in any academic and research activities of the institute.
- (3) The institute shall house education and research programs specifically designed to meet the needs of eastern Washington.
- (4) The establishment of any education program at the institute and the lease, purchase, or construction of any site or facility for the institute is subject to the approval of the (( $\frac{higher}{hoordination}$ )) of the of financial management.
  - (5) The institute shall be headquartered in Spokane.
- (6) The mission of the institute is to perform and commercialize research that benefits the intermediate and long-term economic vitality of eastern Washington and to develop and strengthen university-industry relationships through the conduct of research that is primarily of interest to eastern Washington-based companies or state economic development programs. The institute shall:
- (a) Perform and facilitate research supportive of state science and technology objectives, particularly as they relate to eastern Washington industries;
- (b) Provide leading edge collaborative research and technology transfer opportunities primarily to eastern Washington industries;
- (c) Provide substantial opportunities for training undergraduate and graduate students through direct involvement in research and industry interactions;
- (d) Emphasize and develop nonstate support of the institute's research activities; and
- (e) Provide a forum for effective interaction between the state's technology-based industries and its academic institutions through promotion of faculty collaboration with industry, particularly within eastern Washington.

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**Sec. 317.** RCW 28B.40.120 and 2006 c 263 s 825 are each amended to read as follows:

In addition to any other powers and duties prescribed by law, the board of trustees of The Evergreen State College:

- (1) Shall have full control of the state college and its property of various kinds, except as otherwise provided by law.
- (2) Shall employ the president of the state college, ((his)) the president's assistants, members of the faculty, and other employees of the institution, who, except as otherwise provided by law, shall hold their positions, until discharged therefrom by the board for good and lawful reason.
- (3) With the assistance of the faculty of the state college, shall prescribe the course of study in the various schools and departments thereof and publish such catalogues thereof as the board deems necessary: PROVIDED, That the Washington professional educator standards board shall determine the requisites for and give program approval of all courses leading to teacher certification by such board.
- (4) Establish such divisions, schools or departments necessary to carry out the purposes of the college and not otherwise proscribed by law.
- (5) Except as otherwise provided by law, may establish and erect such new facilities as determined by the board to be necessary for the college.
- (6) May acquire real and other property as provided in RCW 28B.10.020, as now or hereafter amended.
  - (7) Except as otherwise provided by law, may purchase all supplies and purchase or lease equipment and other personal property needed for the operation or maintenance of the college.
  - (8) May establish, lease, operate, equip and maintain self-supporting facilities in the manner provided in RCW 28B.10.300 through 28B.10.330, as now or hereafter amended.
  - (9) Except as otherwise provided by law, to enter into such contracts as the trustees deem essential to college purposes.
  - (10) May receive such gifts, grants, conveyances, devises and bequests of real or personal property from whatsoever source, as may be made from time to time, in trust or otherwise, whenever the terms and conditions thereof will aid in carrying out the college programs; sell, lease or exchange, invest or expend the same or the proceeds, rents,

profits and income thereof except as limited by the terms and conditions thereof; and adopt ((regulations)) rules to govern the receipt and expenditure of the proceeds, rents, profits and income thereof.

- (11) Subject to the approval of the ((higher education coordinating board pursuant to RCW 28B.76.230)) office of financial management, offer new degree programs, offer off-campus programs, participate in consortia or centers, contract for off-campus educational programs, and purchase or lease major off-campus facilities.
- 10 (12) May ((promulgate)) adopt such rules ((and regulations)), and
  11 perform all other acts not forbidden by law, as the board of trustees
  12 may in its discretion deem necessary or appropriate to the
  13 administration of the college.
- **Sec. 318.** RCW 28B.40.206 and 1991 c 58 s 3 are each amended to read as follows:

In addition to all other powers and duties given to them by law, the board of trustees of The Evergreen State College is hereby authorized to grant any degree through the master's degree to any student who has completed a program of study and/or research in those areas which are determined by the faculty and board of trustees of the college to be appropriate for the granting of such degree: PROVIDED, That any degree authorized under this section shall be subject to the review and approval of the ((higher education coordinating board)) office of financial management.

The board of trustees, upon recommendation of the faculty, may also confer honorary bachelor's or master's degrees upon persons other than graduates of the institution, in recognition of their learning or devotion to education, literature, art, or science. No degree may be conferred in consideration of the payment of money or the donation of any kind of property.

- Sec. 319. RCW 28B.45.014 and 2005 c 258 s 2 are each amended to read as follows:
- (1) The primary mission of the higher education branch campuses created under this chapter remains to expand access to baccalaureate and master's level graduate education in underserved urban areas of the state in collaboration with community and technical colleges. The top

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priority for each of the campuses is to expand courses and degree programs for transfer and graduate students. New degree programs should be driven by the educational needs and demands of students and the community, as well as the economic development needs of local businesses and employers.

- (2) Branch campuses shall collaborate with the community and technical colleges in their region to develop articulation agreements, dual admissions policies, and other partnerships to ensure that branch campuses serve as innovative models of a two plus two educational system. Other possibilities for collaboration include but are not limited to joint development of curricula and degree programs, colocation of instruction, and arrangements to share faculty.
- (3) In communities where a private postsecondary institution is located, representatives of the private institution may be invited to participate in the conversation about meeting the baccalaureate and master's level graduate needs in underserved urban areas of the state.
- (4) However, the legislature recognizes there are alternative models for achieving this primary mission. Some campuses may have additional missions in response to regional needs and demands. At selected branch campuses, an innovative combination of instruction and research targeted to support regional economic development may be appropriate to meet the region's needs for both access and economic viability. Other campuses should focus on becoming models of a two plus two educational system through continuous improvement of partnerships and agreements with community and technical colleges. Still other campuses may be best suited to transition to a four-year university or be removed from designation as a branch campus entirely.
- (5) The legislature recognizes that size, mix of degree programs, and proportion of lower versus upper division and graduate enrollments are factors that affect costs at branch campuses. However over time, the legislature intends that branch campuses be funded more similarly to regional universities.
- (6) In consultation with the ((higher education coordinating board)) office of financial management, a branch campus may propose legislation to authorize practice-oriented or professional doctoral programs if: (a) Unique research facilities and equipment are located near the campus; or (b) the campus can clearly demonstrate student and

1 employer demand in the region that is linked to regional economic 2 development.

(7) It is not the legislature's intent to have each campus chart its own future path without legislative guidance. Instead, the legislature intends to consider carefully the mission and model of education that best suits each campus and best meets the needs of students, the community, and the region. The ((higher education coordinating board)) office of financial management shall monitor and evaluate the addition of lower division students to the branch campuses and periodically report and make recommendations to the higher education committees of the legislature to ensure the campuses continue to follow the priorities established under this chapter.

**Sec. 320.** RCW 28B.45.020 and 2005 c 258 s 3 are each amended to 14 read as follows:

- (1) The University of Washington is responsible for ensuring the expansion of baccalaureate and graduate educational programs in the central Puget Sound area under rules or guidelines adopted by the ((higher education coordinating board)) office of financial management and in accordance with proportionality agreements emphasizing access for transfer students developed with the state board for community and technical colleges. The University of Washington shall meet that responsibility through the operation of at least two branch campuses. One branch campus shall be located in the Tacoma area. Another branch campus shall be collocated with Cascadia Community College in the Bothell-Woodinville area.
- (2) At the University of Washington Tacoma, a top priority is expansion of upper division capacity for transfer students and graduate capacity and programs. Beginning in the fall of 2006, the campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus shall admit lower division students through coadmission or coenrollment agreements with a community college, or through direct transfer for students who have accumulated approximately one year of transferable college credits. In addition to offering lower division courses linked to specific majors as addressed above, the campus may also directly admit freshmen and sophomores gradually and deliberately in accordance with the campus plan submitted to the higher education coordinating board in 2004.

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(3) At the University of Washington Bothell, a top priority is expansion of upper division capacity for transfer students and graduate The campus shall also seek additional capacity and programs. opportunities to collaborate with and maximize its ((collocation {colocation})) colocation with Cascadia Community College. Beginning in the fall of 2006, the campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus may admit lower division students through coadmission or coenrollment agreements with a community college, or through direct transfer for students who have accumulated approximately one year of transferable college credits. In addition to offering lower division courses linked to specific majors as addressed above, the campus may also directly admit freshmen and sophomores gradually and deliberately in accordance with the campus plan submitted to the higher education coordinating board in 2004.

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- Sec. 321. RCW 28B.45.030 and 2006 c 166 s 1 are each amended to read as follows:
  - (1) Washington State University is responsible for providing baccalaureate and graduate level higher education programs to the citizens of the Tri-Cities area, under rules or guidelines adopted by the ((higher education coordinating board)) office of financial in accordance with and proportionality agreements emphasizing access for transfer students developed with the state board for community and technical colleges. Washington State University shall meet that responsibility through the operation of a branch campus in the Tri-Cities area. The branch campus shall replace and supersede the Tri-Cities university center. All land, facilities, equipment, and personnel of the Tri-Cities university center shall be transferred from the University of Washington to Washington State University.
  - (2) In 2005, the legislature authorized the expansion on a limited basis of Washington State University's branch campus in the Tri-Cities area. The legislature authorized the Tri-Cities branch campus to continue providing innovative coadmission and coenrollment options with Columbia Basin College, and to expand its upper-division capacity for transfer students and graduate capacity and programs. The branch campus was given authority beginning in fall 2006 to offer lower-division courses linked to specific majors in fields not addressed at

the local community colleges. The campus was also authorized to directly admit freshmen and sophomores for a bachelor's degree program in biotechnology subject to approval by the ((higher education coordinating board)) office of financial management. The legislature finds that the Tri-Cities community is very engaged in and committed to exploring the further expansion of Washington State University Tri-Cities branch campus into a four-year institution and considers this issue to be a top priority for the larger Tri-Cities region.

- (3) Washington State University Tri-Cities shall continue providing innovative coadmission and coenrollment options with Columbia Basin College, and expand its upper division capacity for transfer students and graduate capacity and programs. The campus shall also seek additional opportunities to collaborate with the Pacific Northwest national laboratory. Beginning in the fall of 2006, the campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus may admit lower division students through coadmission or coenrollment agreements with a community college, or through direct transfer for students who have accumulated approximately one year of transferable college credits. addition to offering lower division courses linked to specific majors as addressed above, the campus may also directly admit freshmen and sophomores for a bachelor's degree program in biotechnology subject to approval by the ((higher education coordinating board)) office of financial management.
- (4) The Washington State University Tri-Cities branch campus shall develop a plan for expanding into a four-year institution and shall identify new degree programs and course offerings focused on areas of specific need in higher education that exist in southeastern Washington. The branch campus's plan should examine the resources and talent available in the Tri-Cities area, including but not limited to resources and talent available at the Pacific Northwest national laboratory, and how these resources and talent may best be used by the Tri-Cities branch campus to expand into a four-year institution. The branch campus shall submit its plan to the legislature and the higher education coordinating board by November 30, 2006.
- (5) Beginning in the fall of 2007, the Washington State University Tri-Cities branch campus may begin, subject to approval by the ((higher education coordinating board)) office of financial management,

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admitting lower-division students directly into programs beyond the biotechnology field that are identified in its plan as being in high need in southeastern Washington. Such fields may include but need not be limited to science, engineering and technology, biomedical sciences, alternative energy, and computational and information sciences. gradually and deliberately admitting freshmen and sophomores accordance with its plan, increasing transfer enrollment, and coadmitting transfer students, the campus shall develop into a fouryear institution serving the southeastern Washington region. 

- **Sec. 322.** RCW 28B.45.040 and 2005 c 258 s 5 are each amended to 11 read as follows:
  - (1) Washington State University is responsible for providing baccalaureate and graduate level higher education programs to the citizens of the southwest Washington area, under rules or guidelines adopted by the ((higher education coordinating board)) office of financial management and in accordance with proportionality agreements emphasizing access for transfer students developed with the state board for community and technical colleges. Washington State University shall meet that responsibility through the operation of a branch campus in the southwest Washington area.
  - (2) Washington State University Vancouver shall expand upper division capacity for transfer students and graduate capacity and programs and continue to collaborate with local community colleges on coadmission and coenrollment programs. In addition, beginning in the fall of 2006, the campus may admit lower division students directly. By simultaneously admitting freshmen and sophomores, increasing transfer enrollment, coadmitting transfer students, and expanding graduate and professional programs, the campus shall develop into a four-year institution serving the southwest Washington region.
- **Sec. 323.** RCW 28B.45.060 and 1989 1st ex.s. c 7 s 7 are each amended to read as follows:
- Central Washington University is responsible for providing upperdivision and graduate level higher education programs to the citizens of the Yakima area, under rules or guidelines adopted by the ((higher education coordinating board)) office of financial management.

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Sec. 324. RCW 28B.50.140 and 2010 c 51 s 4 are each amended to read as follows:

Each board of trustees:

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- (1) Shall operate all existing community and technical colleges in its district;
- (2) Shall create comprehensive programs of community and technical college education and training and maintain an open-door policy in accordance with the provisions of RCW 28B.50.090(3);
- (3) Shall employ for a period to be fixed by the board a college president for each community and technical college and, may appoint a president for the district, and fix their duties and compensation, which may include elements other than salary. Compensation under this subsection shall not affect but may supplement retirement, health care, and other benefits that are otherwise applicable to the presidents as state employees. The board shall also employ for a period to be fixed by the board members of the faculty and such other administrative officers and other employees as may be necessary or appropriate and fix their salaries and duties. Compensation and salary increases under this subsection shall not exceed the amount or percentage established for those purposes in the state appropriations act by the legislature as allocated to the board of trustees by the state board for community and technical colleges. The state board for community and technical colleges shall adopt rules defining the permissible elements of compensation under this subsection;
- (4) May establish, under the approval and direction of the college board, new facilities as community needs and interests demand. However, the authority of boards of trustees to purchase or lease major off-campus facilities shall be subject to the approval of the ((higher education coordinating board pursuant to RCW 28B.76.230)) office of financial management;
- (5) May establish or lease, operate, equip and maintain dormitories, food service facilities, bookstores and other self-supporting facilities connected with the operation of the community and technical college;
- (6) May, with the approval of the college board, borrow money and issue and sell revenue bonds or other evidences of indebtedness for the construction, reconstruction, erection, equipping with permanent fixtures, demolition and major alteration of buildings or other capital

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assets, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances, for dormitories, food service facilities, and other self-supporting facilities connected with the operation of the community and technical college in accordance with the provisions of RCW 28B.10.300 through 28B.10.330 where applicable;

- (7) May establish fees and charges for the facilities authorized hereunder, including reasonable rules and regulations for the government thereof, not inconsistent with the rules of the college board; each board of trustees operating a community and technical college may enter into agreements, subject to rules of the college board, with owners of facilities to be used for housing regarding the management, operation, and government of such facilities, and any board entering into such an agreement may:
- (a) Make rules for the government, management and operation of such housing facilities deemed necessary or advisable; and
  - (b) Employ necessary employees to govern, manage and operate the same;
  - (8) May receive such gifts, grants, conveyances, devises and bequests of real or personal property from private sources, as may be made from time to time, in trust or otherwise, whenever the terms and conditions thereof will aid in carrying out the community and technical college programs as specified by law and the rules of the state college board; sell, lease or exchange, invest or expend the same or the proceeds, rents, profits and income thereof according to the terms and conditions thereof; and adopt rules to govern the receipt and expenditure of the proceeds, rents, profits and income thereof;
  - (9) May establish and maintain night schools whenever in the discretion of the board of trustees it is deemed advisable, and authorize classrooms and other facilities to be used for summer or night schools, or for public meetings and for any other uses consistent with the use of such classrooms or facilities for community and technical college purposes;
  - (10) May make rules for pedestrian and vehicular traffic on property owned, operated, or maintained by the district;
- 35 (11) Shall prescribe, with the assistance of the faculty, the 36 course of study in the various departments of the community and 37 technical college or colleges under its control, and publish such 38 catalogues and bulletins as may become necessary;

(12) May grant to every student, upon graduation or completion of a course of study, a suitable diploma, degree, or certificate under the rules of the state board for community and technical colleges that are appropriate to their mission. The purposes of these diplomas, certificates, and degrees are to lead individuals directly to employment in a specific occupation or prepare individuals for a bachelor's degree or beyond. Technical colleges may only offer transfer degrees that prepare students for bachelor's degrees professional fields, subject to rules adopted by the college board. adopting rules, the college board, where possible, shall create consistency between community and technical colleges and may address issues related to tuition and fee rates; tuition waivers; enrollment counting, including the use of credits instead of clock hours; degree granting authority; or any other rules necessary to offer the associate degrees that prepare students for transfer to bachelor's degrees in professional areas. Only ((pilot)) colleges under RCW 28B.50.810 may award baccalaureate degrees. The board, upon recommendation of the faculty, may also confer honorary associate of arts degrees upon persons other than graduates of the community college, in recognition of their learning or devotion to education, literature, art, or science. No degree may be conferred in consideration of the payment of money or the donation of any kind of property;

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- (13) Shall enforce the rules prescribed by the state board for community and technical colleges for the government of community and technical colleges, students and teachers, and adopt such rules and perform all other acts not inconsistent with law or rules of the state board for community and technical colleges as the board of trustees may in its discretion deem necessary or appropriate to the administration of college districts: PROVIDED, That such rules shall include, but not be limited to, rules relating to housing, scholarships, conduct at the various community and technical college facilities, and discipline: PROVIDED, FURTHER, That the board of trustees may suspend or expel from community and technical colleges students who refuse to obey any of the duly adopted rules;
- (14) May, by written order filed in its office, delegate to the president or district president any of the powers and duties vested in or imposed upon it by this chapter. Such delegated powers and duties may be exercised in the name of the district board;

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(15) May perform such other activities consistent with this chapter and not in conflict with the directives of the college board;

- (16) Notwithstanding any other provision of law, may offer educational services on a contractual basis other than the tuition and fee basis set forth in chapter 28B.15 RCW for a special fee to private or governmental entities, consistent with rules adopted by the state board for community and technical colleges: PROVIDED, That the whole of such special fee shall go to the college district and be not less than the full instructional costs of such services including any salary increases authorized by the legislature for community and technical college employees during the term of the agreement: PROVIDED FURTHER, That enrollments generated hereunder shall not be counted toward the official enrollment level of the college district for state funding purposes;
- (17) Notwithstanding any other provision of law, may offer educational services on a contractual basis, charging tuition and fees as set forth in chapter 28B.15 RCW, counting such enrollments for state funding purposes, and may additionally charge a special supplemental fee when necessary to cover the full instructional costs of such services: PROVIDED, That such contracts shall be subject to review by the state board for community and technical colleges and to such rules as the state board may adopt for that purpose in order to assure that the sum of the supplemental fee and the normal state funding shall not exceed the projected total cost of offering the educational service: PROVIDED FURTHER, That enrollments generated by courses offered on the basis of contracts requiring payment of a share of the normal costs of the course will be discounted to the percentage provided by the college;
- (18) Shall be authorized to pay dues to any association of trustees that may be formed by the various boards of trustees; such association may expend any or all of such funds to submit biennially, or more often if necessary, to the governor and to the legislature, the recommendations of the association regarding changes which would affect the efficiency of such association;
- (19) May participate in higher education centers and consortia that involve any four-year public or independent college or university: PROVIDED, That new degree programs or off-campus programs offered by a four-year public or independent college or university in collaboration

with a community or technical college are subject to approval by the 1 2 ((higher education coordinating board under RCW 28B.76.230)) office of 3 financial management;

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- (20) Shall perform any other duties and responsibilities imposed by law or rule of the state board; and
- (21) May confer honorary associate of arts degrees upon persons who 7 request an honorary degree if they were students at the college in 1942 8 and did not graduate because they were ordered into an internment camp. The honorary degree may also be requested by a representative of 9 10 deceased persons who meet these requirements. For the purposes of this subsection, "internment camp" means a relocation center to which 11 12 persons were ordered evacuated by Presidential Executive Order 9066, 13 signed on February 19, 1942.
- 14 Sec. 325. RCW 28B.50.810 and 2010 c 245 s 3 are each amended to 15 read as follows:
  - (1) The college board may select community or technical colleges to develop and offer programs of study leading to applied baccalaureate degrees. Colleges may submit applications to the college board. college board and the higher education coordinating board shall review the applications and select the colleges using objective criteria, including, but not limited to:
- 22 (a) The college demonstrates the capacity to make a long-term 23 commitment of resources to build and sustain a high quality program;
  - (b) The college has or can readily engage faculty appropriately qualified to develop and deliver a high quality curriculum at the baccalaureate level;
  - (c) The college can demonstrate demand for the proposed program from a sufficient number of students within its service area to make the program cost-effective and feasible to operate;
  - (d) The college can demonstrate that employers demand the level of technical training proposed within the program, making it costeffective for students to seek the degree; and
  - (e) The proposed program fills a gap in options available for students because it is not offered by a public four-year institution of higher education in the college's geographic area.
  - (2) A college selected under this section may develop the curriculum for and design and deliver courses leading to an applied

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- 1 baccalaureate degree. However, degree programs developed under this
- 2 section are subject to approval by the college board under RCW
- 3 28B.50.090 and by the ((higher education coordinating board pursuant to
- 4 RCW 28B.76.230)) office of financial management before a college may
- 5 enroll students in upper division courses.
- **Sec. 326.** RCW 28B.65.050 and 1998 c 245 s 22 are each amended to read as follows:
- 8 (1) The board shall oversee, coordinate, and evaluate the high-9 technology programs.
  - (2) The board shall:

- (a) Determine the specific high-technology occupational fields in which technical training is needed and advise the institutions of higher education ((and the higher education coordinating board)) on their findings;
- (b) Identify economic areas and high-technology industries in need of technical training and research and development critical to economic development and advise the institutions of higher education ((and the higher education coordinating board)) on their findings;
- (c) Oversee and coordinate the Washington high-technology education and training program to ensure high standards, efficiency, and effectiveness;
- (d) Work cooperatively with the superintendent of public instruction to identify the skills prerequisite to the high-technology programs in the institutions of higher education;
- (e) Work cooperatively with and provide any information or advice which may be requested by the ((higher education coordinating board)) office of financial management during the board's review of new baccalaureate degree program proposals which are submitted under this chapter. Nothing in this chapter shall be construed as altering or superseding the powers or prerogatives of the ((higher education coordinating board)) office of financial management over the review of new degree programs as established in section 6(2) of this 1985 act;
- (f) Work cooperatively with the department of ((community, trade, and economic development)) commerce to identify the high-technology education and training needs of existing Washington businesses and businesses with the potential to locate in Washington;

- 1 (g) Work towards increasing private sector participation and 2 contributions in Washington high-technology programs;
  - (h) Identify and evaluate the effectiveness of state sponsored research related to high technology; and
  - (i) Establish and maintain a plan, including priorities, to guide high-technology program development in public institutions of higher education, which plan shall include an assessment of current high-technology programs, steps to increase existing programs, new initiatives and programs necessary to promote high technology, and methods to coordinate and target high-technology programs to changing market opportunities in business and industry.
- 12 (3) The board may adopt rules under chapter 34.05 RCW as it deems 13 necessary to carry out the purposes of this chapter.
- 14 (4) The board shall cease to exist on June 30, 1987, unless 15 extended by law for an additional fixed period of time.
- 16 **Sec. 327.** RCW 28B.85.010 and 1986 c 136 s 1 are each amended to read as follows:
  - Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter:
- 20 (1) (("Board" means the higher education coordinating board.
- 21 (2)) "Degree" means any designation, appellation, letters, or 22 words including but not limited to "associate," "bachelor," "master," 23 "doctor," or "fellow" which signify or purport to signify satisfactory 24 completion of the requirements of an academic program of study beyond 25 the secondary school level.
- $((\frac{3}{3}))$  (2) "Degree-granting institution" means an entity that offers educational credentials, instruction, or services prerequisite to or indicative of an academic or professional degree beyond the secondary level.
- 30 (3) "Office" means the office of financial management.
- 31 **Sec. 328.** RCW 28B.85.020 and 2006 c 234 s 3 are each amended to read as follows:
  - (1) The ((<del>board</del>)) <u>office</u>:

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34 (a) Shall adopt by rule, in accordance with chapter 34.05 RCW, 35 minimum standards for degree-granting institutions concerning granting 36 of degrees, quality of education, unfair business practices, financial

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stability, and other necessary measures to protect citizens of this state against substandard, fraudulent, or deceptive practices. The rules shall require that an institution operating in Washington:

(i) Be accredited;

- (ii) Have applied for accreditation and such application is pending before the accrediting agency;
- (iii) Have been granted a waiver by the ((board)) office waiving the requirement of accreditation; or
- (iv) Have been granted an exemption by the ((board)) office from the requirements of this subsection (1)(a);
  - (b) May investigate any entity the ((board)) office reasonably believes to be subject to the jurisdiction of this chapter. In connection with the investigation, the ((board)) office may administer oaths and affirmations, issue subpoenas and compel attendance, take evidence, and require the production of any books, papers, correspondence, memorandums, or other records which the ((board)) office deems relevant or material to the investigation. The ((board)) office, including its staff and any other authorized persons, may conduct site inspections, the cost of which shall be borne by the institution, and examine records of all institutions subject to this chapter;
  - (c) Shall develop an interagency agreement with the workforce training and education coordinating board to regulate degree-granting private vocational schools with respect to degree and nondegree programs; and
  - (d) Shall develop and disseminate information to the public about entities that sell or award degrees without requiring appropriate academic achievement at the postsecondary level, including but not limited to, a description of the substandard and potentially fraudulent practices of these entities, and advice about how the public can recognize and avoid the entities. To the extent feasible, the information shall include links to additional resources that may assist the public in identifying specific institutions offering substandard or fraudulent degree programs.
- 35 (2) Financial disclosures provided to the ((<del>board</del>)) <u>office</u> by 36 degree-granting private vocational schools are not subject to public 37 disclosure under chapter 42.56 RCW.

**Sec. 329.** RCW 28B.85.030 and 2003 c 53 s 175 are each amended to read as follows:

- (1) A degree-granting institution shall not operate and shall not grant or offer to grant any degree unless the institution has obtained current authorization from the ((board)) office.
- (2) Any person, group, or entity or any owner, officer, agent, or employee of such entity who willfully violates this section is guilty of a gross misdemeanor and shall be punished by a fine not to exceed one thousand dollars or by imprisonment in the county jail for a term not to exceed one year, or by both such fine and imprisonment. Each day on which a violation occurs constitutes a separate violation. The criminal sanctions may be imposed by a court of competent jurisdiction in an action brought by the attorney general of this state.
- **Sec. 330.** RCW 28B.85.040 and 2006 c 234 s 4 are each amended to read as follows:
  - (1) An institution or person shall not advertise, offer, sell, or award a degree or any other type of educational credential unless the student has enrolled in and successfully completed a prescribed program of study, as outlined in the institution's publications. This prohibition shall not apply to honorary credentials clearly designated as such on the front side of the diploma or certificate and awarded by institutions offering other educational credentials in compliance with state law.
  - (2) No exemption or waiver granted under this chapter is permanent. The (( $\frac{1}{1}$ ) office shall periodically review exempted degree-granting institutions and degree-granting institutions granted a waiver, and continue exemptions or waivers only if an institution meets the statutory or (( $\frac{1}{1}$ ) office requirements for exemption or waiver in effect on the date of the review.
  - (3) Except as provided in subsection (1) of this section, this chapter shall not apply to:
    - (a) Any public college, university, community college, technical college, or institute operating as part of the public higher educational system of this state;
  - (b) Institutions that have been accredited by an accrediting association recognized by the agency for the purposes of this chapter: PROVIDED, That those institutions meet minimum exemption standards

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- 1 adopted by the agency; and PROVIDED FURTHER, That an institution,
- 2 branch, extension, or facility operating within the state of Washington
- 3 which is affiliated with an institution operating in another state must
- 4 be a separately accredited member institution of any such accrediting
- 5 association to qualify for this exemption;
- 6 (c) Institutions of a religious character, but only as to those 7 education programs devoted exclusively to religious or theological 8 objectives if the programs are represented in an accurate manner in 9 institutional catalogs and other official publications;
- 10 (d) Honorary credentials clearly designated as such on the front 11 side of the diploma or certificate awarded by institutions offering 12 other educational credentials in compliance with state law; or
- 13 (e) Institutions not otherwise exempt which offer only workshops or 14 seminars and institutions offering only credit-bearing workshops or 15 seminars lasting no longer than three calendar days.
- 16 **Sec. 331.** RCW 28B.85.050 and 1986 c 136 s 5 are each amended to read as follows:
- All degree-granting institutions subject to this chapter shall file information with the ((board)) office as the ((board)) office may require.
- 21 **Sec. 332.** RCW 28B.85.060 and 1986 c 136 s 6 are each amended to 22 read as follows:
- The ((<del>board</del>)) <u>office</u> shall impose fees on any degree-granting institution authorized to operate under this chapter. Fees shall be set and revised by the ((<del>board</del>)) <u>office</u> by rule at the level necessary to approximately recover the staffing costs incurred in administering this chapter. Fees shall be deposited in the general fund.
- 28 **Sec. 333.** RCW 28B.85.070 and 1986 c 136 s 7 are each amended to read as follows:
- 30 (1) The ((<del>board</del>)) <u>office</u> may require any degree-granting 31 institution to have on file with the ((<del>board</del>)) <u>office</u> an approved 32 surety bond or other security in lieu of a bond in an amount determined 33 by the ((<del>board</del>)) office.
- 34 (2) In lieu of a surety bond, an institution may deposit with the 35 ((board)) office a cash deposit or other negotiable security acceptable

- to the ((board)) office. The security deposited with the ((board)) office in lieu of the surety bond shall be returned to the institution one year after the institution's authorization has expired or been revoked if legal action has not been instituted against the institution or the security deposit at the expiration of the year. The obligations and remedies relating to surety bonds authorized by this section, including but not limited to the settlement of claims procedure in subsection (5) of this section, shall apply to deposits filed with the ((board)) office, as applicable.
  - (3) Each bond shall:

- (a) Be executed by the institution as principal and by a corporate surety licensed to do business in the state;
- (b) Be payable to the state for the benefit and protection of any student or enrollee of an institution, or, in the case of a minor, his or her parents or guardian;
- (c) Be conditioned on compliance with all provisions of this chapter and the ((board's)) office's rules adopted under this chapter;
- (d) Require the surety to give written notice to the ((board)) office at least thirty-five days before cancellation of the bond; and
- (e) Remain in effect for one year following the effective date of its cancellation or termination as to any obligation occurring on or before the effective date of cancellation or termination.
- (4) Upon receiving notice of a bond cancellation, the ((board)) office shall notify the institution that the authorization will be suspended on the effective date of the bond cancellation unless the institution files with the ((board)) office another approved surety bond or other security. The ((board)) office may suspend or revoke the authorization at an earlier date if it has reason to believe that such action will prevent students from losing their tuition or fees.
- (5) If a complaint is filed under RCW 28B.85.090(1) against an institution, the ((board)) office may file a claim against the surety and settle claims against the surety by following the procedure in this subsection.
- (a) The ((board)) office shall attempt to notify all potential claimants. If the absence of records or other circumstances makes it impossible or unreasonable for the ((board)) office to ascertain the names and addresses of all the claimants, the ((board)) office after exerting due diligence and making reasonable inquiry to secure that

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- 1 information from all reasonable and available sources, may make a
- 2 demand on a bond on the basis of information in the ((board's))
- 3 <u>office's</u> possession. The ((<del>board</del>)) <u>office</u> is not liable or responsible
- 4 for claims or the handling of claims that may subsequently appear or be
- 5 discovered.

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- (b) Thirty days after notification, if a claimant fails, refuses, or neglects to file with the ((board)) office a verified claim, the ((board)) office shall be relieved of further duty or action under this chapter on behalf of the claimant.
- 10 (c) After reviewing the claims, the ((board)) office may make 11 demands upon the bond on behalf of those claimants whose claims have 12 been filed. The ((board)) office may settle or compromise the claims 13 with the surety and may execute and deliver a release and discharge of 14 the bond.
- (d) If the surety refuses to pay the demand, the ((board)) office may bring an action on the bond in behalf of the claimants. If an action is commenced on the bond, the ((board)) office may require a new bond to be filed.
- 19 (e) Within ten days after a recovery on a bond or other posted 20 security has occurred, the institution shall file a new bond or 21 otherwise restore its security on file to the required amount.
- 22 (6) The liability of the surety shall not exceed the amount of the 23 bond.
- 24 **Sec. 334.** RCW 28B.85.080 and 1986 c 136 s 8 are each amended to 25 read as follows:
  - The ((board)) office may suspend or modify any of the requirements under this chapter in a particular case if ((the board)) it finds that:
- 28 (1) The suspension or modification is consistent with the purposes 29 of this chapter; and
- 30 (2) The education to be offered addresses a substantial, 31 demonstrated need among residents of the state or that literal 32 application of this chapter would cause a manifestly unreasonable 33 hardship.
- 34 **Sec. 335.** RCW 28B.85.090 and 1989 c 175 s 82 are each amended to read as follows:
- 36 (1) A person claiming loss of tuition or fees as a result of an

unfair business practice may file a complaint with the ((board)) office. The complaint shall set forth the alleged violation and shall contain information required by the ((board)) office. A complaint may also be filed with the ((board)) office by an authorized staff member of the ((board)) office or by the attorney general.

- (2) The (( $\frac{board}{}$ )) office shall investigate any complaint under this section and may attempt to bring about a settlement. The (( $\frac{board}{}$ )) office may hold a hearing pursuant to the administrative procedure act, chapter 34.05 RCW, in order to determine whether a violation has occurred. If the (( $\frac{board}{}$ )) office prevails, the degree-granting institution shall pay the costs of the administrative hearing.
- (3) If, after the hearing, the ((board)) office finds that the institution or its agent engaged in or is engaging in any unfair business practice, the ((board)) office shall issue and cause to be served upon the violator an order requiring the violator to cease and desist from the act or practice and may impose the penalties under RCW 28B.85.100. If the ((board)) office finds that the complainant has suffered loss as a result of the act or practice, the ((board)) office may order full or partial restitution for the loss. The complainant is not bound by the ((board's)) office's determination of restitution and may pursue any other legal remedy.
- **Sec. 336.** RCW 28B.85.100 and 1986 c 136 s 10 are each amended to 23 read as follows:

Any person, group, or entity or any owner, officer, agent, or employee of such entity who ((wilfully)) willfully violates any provision of this chapter or the rules adopted under this chapter shall be subject to a civil penalty of not more than one hundred dollars for each violation. Each day on which a violation occurs constitutes a separate violation. The fine may be imposed by the ((higher education coordinating board)) office or by any court of competent jurisdiction.

Sec. 337. RCW 28B.85.130 and 1986 c 136 s 13 are each amended to read as follows:

If any degree-granting institution discontinues its operation, the chief administrative officer of the institution shall file with the ((board)) office the original or legible true copies of all educational records required by the ((board)) office. If the ((board)) office

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- 1 determines that any educational records are in danger of being made
- 2 unavailable to the ((board)) office, the ((board)) office may seek a
- 3 court order to protect and if necessary take possession of the records.
- 4 The ((board)) office shall cause to be maintained a permanent file of
- 5 educational records coming into its possession.
- 6 **Sec. 338.** RCW 28B.85.170 and 1986 c 136 s 17 are each amended to read as follows:
- 8 The ((board)) office may seek injunctive relief, after giving 9 notice to the affected party, in a court of competent jurisdiction for
- 10 a violation of this chapter or the rules adopted under this chapter.
- 11 The ((board)) office need not allege or prove that the ((board)) office
- 12 has no adequate remedy at law. The right of injunction provided in
- 13 this section is in addition to any other legal remedy which the
- 14 ((board)) office has and is in addition to any right of criminal
- 15 prosecution provided by law. The existence of ((board)) office action
- 16 with respect to alleged violations of this chapter and rules adopted
- 17 under this chapter does not operate as a bar to an action for
- 18 injunctive relief under this section.
- 19 **Sec. 339.** RCW 28B.110.030 and 1989 c 341 s 3 are each amended to 20 read as follows:
- 21  $((\frac{\text{In consultation with}}{}))$  The institutions of higher education  $((\frac{1}{7}))$
- 22 the higher education coordinating board)) shall develop rules and
- 23 guidelines to eliminate possible gender discrimination to students,
- 24 including sexual harassment, at institutions of higher education as
- 25 defined in RCW 28B.10.016. The rules and guidelines shall include but
- 26 not be limited to access to academic programs, student employment,
- 27 counseling and guidance services, financial aid, recreational
- 28 activities including club sports, and intercollegiate athletics.
- 29 (1) With respect to higher education student employment, all
- 30 institutions shall be required to:
  - (a) Make no differentiation in pay scales on the basis of gender;
- 32 (b) Assign duties without regard to gender except where there is a
- 33 bona fide occupational qualification as approved by the Washington
- 34 human rights commission;
- 35 (c) Provide the same opportunities for advancement to males and
- 36 females; and

(d) Make no difference in the conditions of employment on the basis of gender in areas including, but not limited to, hiring practices, leaves of absence, and hours of employment.

- (2) With respect to admission standards, admissions to academic programs shall be made without regard to gender.
- (3) Counseling and guidance services for students shall be made available to all students without regard to gender. All academic and counseling personnel shall be required to stress access to all career and vocational opportunities to students without regard to gender.
- (4) All academic programs shall be available to students without regard to gender.
- (5) With respect to recreational activities, recreational activities shall be offered to meet the interests of students. Institutions which provide the following shall do so with no disparities based on gender: Equipment and supplies; medical care; services and insurance; transportation and per diem allowances; opportunities to receive coaching and instruction; laundry services; assignment of game officials; opportunities for competition, publicity, and awards; and scheduling of games and practice times, including use of courts, gyms, and pools. Each institution which provides showers, toilets, lockers, or training room facilities for recreational purposes shall provide comparable facilities for both males and females.
- (6) With respect to financial aid, financial aid shall be equitably awarded by type of aid, with no disparities based on gender.
- (7) With respect to intercollegiate athletics, institutions that provide the following shall do so with no disparities based on gender:
- (a) Benefits and services including, but not limited to, equipment and supplies; medical services; services and insurance; transportation and per diem allowances; opportunities to receive coaching and instruction; scholarships and other forms of financial aid; conditioning programs; laundry services; assignment of game officials; opportunities for competition, publicity, and awards; and scheduling of games and practice times, including use of courts, gyms, and pools. Each institution which provides showers, toilets, lockers, or training room facilities for athletic purposes shall provide comparable facilities for both males and females.
  - (b) Opportunities to participate in intercollegiate athletics.

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1 Institutions shall provide equitable opportunities to male and female 2 students.

- (c) Male and female coaches and administrators. Institutions shall attempt to provide some coaches and administrators of each gender to act as role models for male and female athletes.
- (8) Each institution shall develop and distribute policies and procedures for handling complaints of sexual harassment.
- **Sec. 340.** RCW 28B.110.040 and 1997 c 5 s 5 are each amended to 9 read as follows:
  - The ((executive)) director of the ((higher education coordinating board)) office of financial management, in consultation with the council of presidents and the state board for community and technical colleges, shall monitor the compliance by institutions of higher education with this chapter.
  - (1) The ((board)) office of financial management shall establish a timetable and guidelines for compliance with this chapter.
  - (2) By November 30, 1990, each institution shall submit to the ((board)) office of financial management for approval a plan to comply with the requirements of RCW 28B.110.030. The plan shall contain measures to ensure institutional compliance with the provisions of this chapter by September 30, 1994. If participation in activities, such as intercollegiate athletics and matriculation in academic programs is not proportionate to the percentages of male and female enrollment, the plan should outline efforts to identify barriers to equal participation and to encourage gender equity in all aspects of college and university life.
  - (3) The ((board)) office of financial management shall report every four years, beginning December 31, ((1998)) 2011, to the governor and the higher education committees of the house of representatives and the senate on institutional efforts to comply with this chapter. The report shall include recommendations on measures to assist institutions with compliance. This report may be combined with the report required in RCW 28B.15.465.
- 34 (4) The ((board)) office of financial management may delegate to 35 the state board for community and technical colleges any or all 36 responsibility for community college compliance with the provisions of 37 this chapter.

- NEW SECTION. **Sec. 341.** The following sections are each recodified as sections in chapter 43.41 RCW.
- 3 RCW 28B.76.210
- 4 RCW 28B.76.290
- 5 RCW 28B.76.300
- 6 RCW 28B.76.310
- 7 RCW 28B.76.340

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- 8 <u>NEW SECTION.</u> **Sec. 342.** The following acts or parts of acts are 9 each repealed:
- 10 (1) RCW 28B.10.922 (Performance agreements--State committee-11 Development of final proposals--Implementation--Updates) and 2008 c 160
  12 s 4; and
- 13 (2) RCW 28B.76.335 (Teacher preparation degree and certificate programs--Needs assessment) and 2010 c 235 s 507 & 2007 c 396 s 17.
  - NEW SECTION. Sec. 343. (1) All powers, duties, and functions of the higher education coordinating board pertaining to the adoption of statewide gender equity rules, adoption of minimum college admission standards, program approval, branch campus expansion, the education cost study, and the purchase or lease of major off-campus facilities are transferred to the office of financial management.
    - (2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the higher education coordinating board pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the office of financial management. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the higher education coordinating board in carrying out the powers, functions, and duties transferred shall be made available to the office of financial management. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the office of financial management.
- 32 (b) Any appropriations made to the higher education coordinating 33 board for carrying out the powers, functions, and duties transferred 34 shall, on the effective date of this section, be transferred and 35 credited to the office of financial management.

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(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

- (3) All employees of the higher education coordinating board engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the office of financial management. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the office of financial management to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.
- (4) All rules and all pending business before the higher education coordinating board pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the office of financial management. All existing contracts and obligations shall remain in full force and shall be performed by the office of financial management.
- (5) The transfer of the powers, duties, functions, and personnel of the higher education coordinating board shall not affect the validity of any act performed before the effective date of this section.
- (6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.
- (7) All classified employees of the higher education coordinating board assigned to the office of financial management under this section whose positions are within an existing bargaining unit description at the office of financial management shall become a part of the existing bargaining unit at the office of financial management and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

1 PART III

## WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

**Sec. 401.** RCW 28B.90.010 and 1993 c 181 s 2 are each amended to 4 read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Degree" means any designation, appellation, certificate, letters or words including, but not limited to, "associate," "bachelor," "masters," "doctorate," or "fellow" that signifies, or purports to signify, satisfactory and successful completion of requirements of a postsecondary academic program of study.
- 12 (2) "Foreign degree-granting institution" means a public or private 13 college or university, either profit or nonprofit:
  - (a) That is domiciled in a foreign country;
  - (b) That offers in its country of domicile credentials, instruction, or services prerequisite to the obtaining of an academic or professional degree granted by such college or university; and
  - (c) That is authorized under the laws or regulations of its country of domicile to operate a degree-granting institution in that country.
  - (3) "Approved branch campus" means a foreign degree-granting institution's branch campus that has been approved by the ((higher education coordinating board)) office of financial management to operate in the state.
  - (4) "Branch campus" means an educational facility located in the state that:
  - (a) Is either owned and operated directly by a foreign degree-granting institution or indirectly through a Washington profit or nonprofit corporation in which the foreign degree-granting institution is the sole or controlling shareholder or member; and
  - (b) Provides courses solely and exclusively to students enrolled in a degree-granting program offered by the foreign degree-granting institution who:
  - (i) Have received academic credit for courses of study completed at the foreign degree-granting institution in its country of domicile;
- (ii) Will receive academic credit towards their degree from the foreign degree-granting institution for the courses of study completed at the educational facility in the state; and

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- 1 (iii) Will return to the foreign degree-granting institution in its 2 country of domicile for completion of their degree-granting program or 3 receipt of their degree.
- 4 (5) (("Board")) "Office" means the ((higher education coordinating board)) office of financial management.
- 6 **Sec. 402.** RCW 28B.90.020 and 1999 c 85 s 1 are each amended to read as follows:
- A foreign degree-granting institution that submits evidence 8 9 satisfactory to the ((board)) office of its authorized status in its 10 country of domicile and its intent to establish an educational facility 11 in the state is entitled to operate a branch campus as defined in RCW 12 28B.90.010. Upon receipt of the satisfactory evidence, the ((board)) 13 office may certify that the branch campus of the foreign degreegranting institution is approved to operate in the state under this 14 chapter, for as long as the foreign degree-granting institution retains 15 16 its authorized status in its country of domicile.
- 17 **Sec. 403.** RCW 28B.90.030 and 1993 c 181 s 4 are each amended to 18 read as follows:
  - A branch campus of a foreign degree-granting institution previously found by the ((board)) office to be exempt from chapter 28B.85 RCW may continue to operate in the state. However, within one year of July 25, 1993, the institution shall provide evidence of authorization as required under RCW 28B.90.020. Upon receipt of the satisfactory evidence, the ((board)) office shall certify that the branch campus of the foreign degree-granting institution is approved to operate in the state under this chapter.
- 27 **Sec. 404.** RCW 28B.76.110 and 2004 c 275 s 5 are each amended to 28 read as follows:
- The ((higher education coordinating board)) office of financial management is designated as the state commission as provided for in Section 1202 of the education amendments of 1972 (Public Law 92-318), as now or hereafter amended; and shall perform such functions as is necessary to comply with federal directives pertaining to the provisions of such law.

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1 **Sec. 405.** RCW 28B.76.320 and 2004 c 275 s 16 are each amended to read as follows:

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- The ((board)) office of financial management shall determine and transmit amounts constituting approved undergraduate and graduate educational costs to the several boards of regents and trustees of the state institutions of higher education by November 10 of each even-numbered year.
- 8 **Sec. 406.** RCW 35.104.020 and 2007 c 251 s 1 are each amended to 9 read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 12 (1) "Authority" means a health sciences and services authority 13 created pursuant to this chapter.
  - (2) "Board" means the governing board of trustees of an authority.
- 15 (3) "Director" means (({the director of})) the director of the ((higher)) workforce training and education coordinating board.
- 17 (4) "Health sciences and services" means biosciences that advance 18 new therapies and procedures to combat disease and promote public 19 health.
- 20 (5) "Local government" means a city, town, or county.
- 21 (6) "Sponsoring local government" means a city, town, or county 22 that creates a health sciences and services authority.
- 23 **Sec. 407.** RCW 35.104.040 and 2010 1st sp.s. c 33 s 2 are each 24 amended to read as follows:
  - (1) The ((higher)) workforce training and education coordinating board may approve applications submitted by local governments for an area's designation as a health sciences and services authority under this chapter. The director must determine the division to review applications submitted by local governments under this chapter. The application for designation must be in the form and manner and contain such information as the ((higher)) workforce training and education coordinating board may prescribe, provided the application:
- 33 (a) Contains sufficient information to enable the director to determine the viability of the proposal;
  - (b) Demonstrates that an ordinance or resolution has been passed by

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the legislative authority of a local government that delineates the boundaries of an area that may be designated an authority;

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- (c) Is submitted on behalf of the local government, or, if that office does not exist, by the legislative body of the local government;
- (d) Demonstrates that the public funds directed to programs or facilities in the authority will leverage private sector resources and contributions to activities to be performed;
- (e) Provides a plan or plans for the development of the authority as an entity to advance as a cluster for health sciences education, health sciences research, biotechnology development, biotechnology product commercialization, and/or health care services; and
- (f) Demonstrates that the state has previously provided funds to health sciences and services programs or facilities in the applicant city, town, or county.
- 15 (2) The director must determine the division to develop criteria to 16 evaluate the application. The criteria must include:
  - (a) The presence of infrastructure capable of spurring development of the area as a center of health sciences and services;
  - (b) The presence of higher education facilities where undergraduate or graduate coursework or research is conducted; and
- 21 (c) The presence of facilities in which health services are 22 provided.
  - (3) There may be no more than two authorities statewide.
  - (4) An authority may only be created in a county with a population of less than one million persons and located east of the crest of the Cascade mountains.
  - (5) The director may reject or approve an application. When denying an application, the director must specify the application's deficiencies. The decision regarding such designation as it relates to a specific local government is final; however, a rejected application may be resubmitted.
  - (6) Applications are due by December 31, 2010, and must be processed within sixty days of submission.
  - (7) The director may, at his or her discretion, amend the boundaries of an authority upon the request of the local government.
- 36 (8) The ((higher)) workforce training and education coordinating 37 board may adopt any rules necessary to implement this chapter.

(9) The ((higher)) workforce training and education coordinating board must develop evaluation and performance measures in order to evaluate the effectiveness of the programs in the authorities that are funded with public resources. A report to the legislature is due on a biennial basis beginning December 1, 2009. In addition, the ((higher)) workforce training and education coordinating board must develop evaluation criteria that enables the local governments to measure the effectiveness of the program.

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- 9 **Sec. 408.** RCW 43.06.115 and 1998 c 245 s 47 are each amended to 10 read as follows:
  - (1) The governor may, by executive order, after consultation with or notification of the executive-legislative committee on economic development created by chapter . . . (Senate Bill No. 5300), Laws of 1993, declare a community to be a "military impacted area." A "military impacted area" means a community or communities, as identified in the executive order, that experience serious social and economic hardships because of a change in defense spending by the federal government in that community or communities.
  - (2) If the governor executes an order under subsection (1) of this section, the governor shall establish a response team to coordinate state efforts to assist the military impacted community. The response team may include, but not be limited to, one member from each of the following agencies: (a) The department of ((community, trade, and economic development)) commerce; (b) the department of social and health services; (c) the employment security department; (d) the state board for community and technical colleges; (e) the ((higher)) workforce training and education coordinating board; and (f) the department of transportation. The governor may appoint a response team coordinator. The governor shall seek to actively involve the impacted community or communities in planning and implementing a response to the crisis. The governor may seek input or assistance from the community diversification advisory committee, and the governor may establish task forces in the community or communities to assist in the coordination and delivery of services to the local community. The state and community response shall consider economic development, human service, and training needs of the community or communities impacted.

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NEW SECTION. Sec. 409. (1) All powers, duties, and functions of the higher education coordinating board pertaining to degree-granting institutions, approval of health sciences and services authorities, and the approval of veterans' programs are transferred to the workforce training and education coordinating board, unless and until the governor designates an alternate state approving agency for purposes of approving veterans' programs pursuant to 38 U.S.C. Sec. 3671(a).

- (2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the higher education coordinating board pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the workforce training and education coordinating board. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the higher education coordinating board in carrying out the powers, functions, and duties transferred shall be made available to the workforce training and education coordinating board. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the workforce training and education coordinating board.
- (b) Any appropriations made to the higher education coordinating board for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the workforce training and education coordinating board.
- (c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.
- (3) All employees of the higher education coordinating board engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the workforce training and education coordinating board. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the workforce training and education coordinating board to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

- (4) All rules and all pending business before the higher education coordinating board pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the workforce training and education coordinating board. All existing contracts and obligations shall remain in full force and shall be performed by the workforce training and education coordinating board.
- (5) The transfer of the powers, duties, functions, and personnel of the higher education coordinating board shall not affect the validity of any act performed before the effective date of this section.
- (6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.
- (7) All classified employees of the higher education coordinating board assigned to the workforce training and education coordinating board under this section whose positions are within an existing bargaining unit description at the workforce training and education coordinating board shall become a part of the existing bargaining unit at the workforce training and education coordinating board and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

24 PART IV

## MISCELLANEOUS REFERENCES

- **Sec. 501.** RCW 9A.60.070 and 2006 c 234 s 2 are each amended to read as follows:
- 28 (1) A person is guilty of issuing a false academic credential if 29 the person knowingly:
  - (a) Grants or awards a false academic credential or offers to grant or award a false academic credential in violation of this section;
  - (b) Represents that a credit earned or granted by the person in violation of this section can be applied toward a credential offered by another person;
- 35 (c) Grants or offers to grant a credit for which a representation 36 as described in (b) of this subsection is made; or

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- 1 (d) Solicits another person to seek a credential or to earn a 2 credit the person knows is offered in violation of this section.
  - (2) A person is guilty of knowingly using a false academic credential if the person knowingly uses a false academic credential or falsely claims to have a credential issued by an institution of higher education that is accredited by an accrediting association recognized as such by rule of the ((higher education coordinating board)) office of financial management:
- 9 (a) In a written or oral advertisement or other promotion of a 10 business; or
  - (b) With the intent to:
  - (i) Obtain employment;

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- 13 (ii) Obtain a license or certificate to practice a trade, 14 profession, or occupation;
  - (iii) Obtain a promotion, compensation or other benefit, or an increase in compensation or other benefit, in employment or in the practice of a trade, profession, or occupation;
    - (iv) Obtain admission to an educational program in this state; or
    - (v) Gain a position in government with authority over another person, regardless of whether the person receives compensation for the position.
    - (3) The definitions in this subsection apply throughout this section and RCW 28B.85.220.
    - (a) "False academic credential" means a document that provides evidence or demonstrates completion of an academic or professional course of instruction beyond the secondary level that results in the attainment of an academic certificate, degree, or rank, and that is not issued by a person or entity that: (i) Is an entity accredited by an agency recognized as such by rule of the ((<del>higher education</del> coordinating board)) office of financial management or has the international equivalents of such accreditation; or (ii) is an entity authorized as a degree-granting institution by the ((higher education coordinating board)) office of financial management; or (iii) is an entity exempt from the requirements of authorization as a degreegranting institution by the ((higher education coordinating board)) office of financial management; or (iv) is an entity that has been granted a waiver by the ((higher education coordinating board)) office of financial management from the requirements of authorization by the

- 1 ((board)) office of financial management. Such documents include, but
  2 are not limited to, academic certificates, degrees, coursework, degree
  3 credits, transcripts, or certification of completion of a degree.
  - (b) "Grant" means award, bestow, confer, convey, sell, or give.
- 5 (c) "Offer," in addition to its usual meanings, means advertise, publicize, or solicit.

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- (d) "Operate" includes but is not limited to the following:
- 8 (i) Offering courses in person, by correspondence, or by electronic 9 media at or to any Washington location for degree credit;
  - (ii) Granting or offering to grant degrees in Washington;
- (iii) Maintaining or advertising a Washington location, mailing address, computer server, or telephone number, for any purpose, other than for contact with the institution's former students for any legitimate purpose related to the students having attended the institution.
  - (4) Issuing a false academic credential is a class C felony.
- 17 (5) Knowingly using a false academic credential is a gross 18 misdemeanor.
- 19 **Sec. 502.** RCW 18.260.110 and 2008 c 150 s 1 are each amended to 20 read as follows:

Nothing in this chapter may be construed to prohibit or restrict:

- (1) The practice of a dental assistant in the discharge of official duties by dental assistants in the United States federal services on federal reservations, including but not limited to the armed services, coast guard, public health service, veterans' bureau, or bureau of Indian affairs;
- (2) Expanded function dental auxiliary education and training programs approved by the commission and the practice as an expanded function dental auxiliary by students in expanded function dental auxiliary education and training programs approved by the commission, when acting under the direction and supervision of persons licensed under chapter 18.29 or 18.32 RCW;
- (3) Dental assistant education and training programs, and the practice of dental assisting by students in dental assistant education and training programs approved by the commission or offered at a school approved or licensed by the workforce training and education coordinating board, ((higher education coordinating board,)) state

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- board for community and technical colleges, or Washington state skill 1 2 centers certified by the office of the superintendent of public instruction, when acting under the direction and supervision of persons 3 4 registered or licensed under this chapter or chapter 18.29 or 18.32
- 6 (4) The practice of a volunteer dental assistant providing services 7 under the supervision of a licensed dentist in a charitable dental 8 clinic, as approved by the commission in rule.

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RCW; or

Sec. 503. RCW 28A.230.100 and 2006 c 263 s 402 and 2006 c 114 s 4 are each reenacted and amended to read as follows:

The superintendent of public instruction, in consultation with ((the higher education coordinating board,)) the state board for community and technical colleges (( - )) and the workforce training and education coordinating board, shall adopt rules pursuant to chapter 34.05 RCW, to implement the course requirements set forth in RCW 28A.230.090. The rules shall include, as the superintendent deems necessary, granting equivalencies for and temporary exemptions from the course requirements in RCW 28A.230.090 and special alterations of the course requirements in RCW 28A.230.090. In developing such rules the superintendent shall recognize the relevance of vocational and applied courses and allow such courses to fulfill in whole or in part the courses required for graduation in RCW 28A.230.090, as determined by the high school or school district in accordance with RCW 28A.230.097. The rules may include provisions for competency testing in lieu of such courses required for graduation in RCW 28A.230.090 or demonstration of specific skill proficiency or understanding of concepts through work or experience.

- 28 Sec. 504. RCW 28A.600.280 and 2009 c 450 s 2 are each amended to 29 read as follows:
- (1) The office of the superintendent of public instruction, in 30 collaboration with the state board for community and technical colleges, the Washington state apprenticeship and training council, the 32 workforce training and education coordinating board, ((the higher 33 34 education coordinating board,)) and the public baccalaureate 35 institutions, shall report by September 1, 2010, and annually

thereafter to the education and higher education committees of the legislature regarding participation in dual credit programs. The report shall include:

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- (a) Data about student participation rates and academic performance including but not limited to running start, college in the high school, tech prep, international baccalaureate, advanced placement, and running start for the trades;
- 8 (b) Data on the total unduplicated head count of students enrolled 9 in at least one dual credit program course; and
- 10 (c) The percentage of students who enrolled in at least one dual credit program as percent of all students enrolled in grades nine through twelve.
- 13 (2) Data on student participation shall be disaggregated by race, 14 ethnicity, gender, and receipt of free or reduced-price lunch.
- 15 **Sec. 505.** RCW 28A.600.290 and 2009 c 450 s 3 are each amended to read as follows:
  - (1) The superintendent of public instruction, the state board for community and technical colleges, ((the higher education coordinating board,)) and the public baccalaureate institutions shall jointly develop and each adopt rules governing the college in the high school program. The association of Washington school principals shall be consulted during the rules development. The rules shall be written to encourage the maximum use of the program and may not narrow or limit the enrollment options.
  - (2) College in the high school programs shall each be governed by a local contract between the district and the institution of higher education, in compliance with the guidelines adopted by the superintendent of public instruction, the state board for community and technical colleges, and the public baccalaureate institutions.
- 30 (3) The college in the high school program must include the 31 provisions in this subsection.
  - (a) The high school and institution of higher education together shall define the criteria for student eligibility. The institution of higher education may charge tuition fees to participating students.
  - (b) School districts shall report no student for more than one full-time equivalent including college in the high school courses.

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(c) The funds received by the institution of higher education may not be deemed tuition or operating fees and may be retained by the institution of higher education.

- (d) Enrollment information on persons registered under this section must be maintained by the institution of higher education separately from other enrollment information and may not be included in official enrollment reports, nor may such persons be considered in any enrollment statistics that would affect higher education budgetary determinations.
- (e) A school district must grant high school credit to a student enrolled in a program course if the student successfully completes the course. If no comparable course is offered by the school district, the school district superintendent shall determine how many credits to award for the course. The determination shall be made in writing before the student enrolls in the course. The credits shall be applied toward graduation requirements and subject area requirements. Evidence of successful completion of each program course shall be included in the student's secondary school records and transcript.
- (f) An institution of higher education must grant college credit to a student enrolled in a program course if the student successfully completes the course. The college credit shall be applied toward general education requirements or major requirements. If no comparable course is offered by the college, the institution of higher education at which the teacher of the program course is employed shall determine how many credits to award for the course and whether the course fulfills general education or major requirements. Evidence of successful completion of each program course must be included in the student's college transcript.
- (g) Eleventh and twelfth grade students or students who have not yet received a high school diploma or its equivalent and are eligible to be in the eleventh or twelfth grades may participate in the college in the high school program.
- (h) Participating school districts must provide general information about the college in the high school program to all students in grades ten, eleven, and twelve and to the parents and guardians of those students.
- 37 (i) Full-time and part-time faculty at institutions of higher

education, including adjunct faculty, are eligible to teach program courses.

- 3 (4) The definitions in this subsection apply throughout this 4 section.
- 5 (a) "Institution of higher education" has the meaning in RCW 28B.10.016 and also includes a public tribal college located in Washington and accredited by the Northwest commission on colleges and universities or another accrediting association recognized by the United States department of education.
- 10 (b) "Program course" means a college course offered in a high school under the college in the high school program.

12 **Sec. 506.** RCW 28A.600.310 and 2009 c 450 s 8 are each amended to read as follows:

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(1) Eleventh and twelfth grade students or students who have not yet received the credits required for the award of a high school diploma and are eligible to be in the eleventh or twelfth grades may apply to a participating institution of higher education to enroll in courses or programs offered by the institution of higher education. A student receiving home-based instruction enrolling in a public high school for the sole purpose of participating in courses or programs offered by institutions of higher education shall not be counted by the school district in any required state or federal accountability reporting if the student's parents or guardians filed a declaration of intent to provide home-based instruction and the student received homebased instruction during the school year before the school year in which the student intends to participate in courses or programs offered by the institution of higher education. Students receiving home-based instruction under chapter 28A.200 RCW and students attending private schools approved under chapter 28A.195 RCW shall not be required to meet the student learning goals, obtain a certificate of academic achievement or a certificate of individual achievement to graduate from high school, or to master the essential academic learning requirements. However, students are eligible to enroll in courses or programs in participating universities only if the board of directors of the student's school district has decided to participate in the program. Participating institutions of higher education, in consultation with school districts, may establish admission standards for these students.

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If the institution of higher education accepts a secondary school pupil for enrollment under this section, the institution of higher education shall send written notice to the pupil and the pupil's school district within ten days of acceptance. The notice shall indicate the course and hours of enrollment for that pupil.

- (2) In lieu of tuition and fees, as defined in RCW 28B.15.020 and 28B.15.041, running start students shall pay to the community or technical college all other mandatory fees as established by each community or technical college; and all other institutions of higher education operating a running start program may charge technology fees. The fees charged shall be prorated based on credit load.
- (3) The institutions of higher education must make available fee waivers for low-income running start students. Each institution must establish a written policy for the determination of low-income students before offering the fee waiver. A student shall be considered low income and eligible for a fee waiver upon proof that the student is currently qualified to receive free or reduced-price lunch. Acceptable documentation of low-income status may also include, but is not limited to, documentation that a student has been deemed eligible for free or reduced-price lunches in the last five years, or other criteria established in the institution's policy.
- (4) The pupil's school district shall transmit to the institution of higher education an amount per each full-time equivalent college student at statewide uniform rates for vocational and nonvocational students. The superintendent of public instruction shall separately calculate and allocate moneys appropriated for basic education under RCW 28A.150.260 to school districts for purposes of making such payments and for granting school districts seven percent thereof to offset program related costs. The calculations and allocations shall be based upon the estimated statewide annual average per full-time equivalent high school student allocations under RCW 28A.150.260, excluding small high school enhancements, and applicable rules adopted under chapter 34.05 RCW. The superintendent of public instruction((7 the higher education coordinating board, )) and the state board for community and technical colleges shall consult on the calculation and distribution of the funds. The funds received by the institution of higher education from the school district shall not be deemed tuition or operating fees and may be retained by the institution of higher

education. A student enrolled under this subsection shall be counted for the purpose of meeting enrollment targets in accordance with terms and conditions specified in the omnibus appropriations act.

(5) The state board for community and technical colleges, in collaboration with the other institutions of higher education that participate in the running start program and the office of the superintendent of public instruction, shall identify, assess, and report on alternatives for providing ongoing and adequate financial support for the program. Such alternatives shall include but are not limited to student tuition, increased support from local school districts, and reallocation of existing state financial support among the community and technical college system to account for differential running start enrollment levels and impacts. The state board for community and technical colleges shall report the assessment of alternatives to the governor and to the appropriate fiscal and policy committees of the legislature by September 1, 2010. 

Sec. 507. RCW 28A.600.390 and 1994 c 205 s 10 are each amended to read as follows:

The superintendent of public instruction((-,)) and the state board for community and technical colleges((-,) and the higher education coordinating board)) shall jointly develop and adopt rules governing RCW 28A.600.300 through 28A.600.380, if rules are necessary. The rules shall be written to encourage the maximum use of the program and shall not narrow or limit the enrollment options under RCW 28A.600.300 through 28A.600.380.

**Sec. 508.** RCW 28A.700.020 and 2008 c 170 s 102 are each amended to read as follows:

(1) The office of the superintendent of public instruction, in consultation with the workforce training and education coordinating board, the Washington state apprenticeship and training council, and the state board for community and technical colleges, shall develop a list of statewide high-demand programs for secondary career and technical education. The list shall be developed using the high-demand list maintained by workforce development councils in consultation with the employment security department( $(\tau)$ ) and the high employer demand programs of study identified by the workforce training and education

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- coordinating board((, and the high employer demand programs of study identified by the higher education coordinating board)). Local school districts may recommend additional high-demand programs in consultation with local career and technical education advisory committees by submitting evidence of local high demand.
- 6 (2) As used in this section and in RCW 28A.700.040, 28A.700.050, 7 and 28A.700.060((, and section 307 of this act)):

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- (a) "High-demand program" means a career and technical education program that prepares students for either a high employer demand program of study or a high-demand occupation, or both.
- (b) "High employer demand program of study" means an apprenticeship or an undergraduate or graduate certificate or degree program in which the number of students per year prepared for employment from in-state programs is substantially fewer than the number of projected job openings per year in that field, either statewide or in a substate region.
- 17 (c) "High-demand occupation" means an occupation with a substantial 18 number of current or projected employment opportunities.
- 19 **Sec. 509.** RCW 28A.700.060 and 2008 c 170 s 107 are each amended to 20 read as follows:
  - (1) The office of the superintendent of public instruction, the workforce training and education coordinating board, the state board for community and technical colleges, ((the higher education coordinating board,)) and the council of presidents shall work with local school districts, workforce education programs in colleges, tech prep consortia, and four-year institutions of higher education to develop model career and technical education programs of study as described by this section.
    - (2) Career and technical education programs of study:
    - (a) Incorporate secondary and postsecondary education elements;
  - (b) Include coherent and rigorous academic content aligned with state learning standards and relevant career and technical content in a coordinated, nonduplicative progression of courses that are aligned with postsecondary education in a related field;
- 35 (c) Include opportunities for students to earn dual high school and 36 college credit; and

- 1 (d) Lead to an industry-recognized credential or certificate at the postsecondary level, or an associate or baccalaureate degree.
- 3 (3) During the 2008-09 school year, model career and technical 4 education programs of study shall be developed for the following high-demand programs: Construction, health care, and information 5 technology. Each school year thereafter, the office of the 6 7 superintendent of public instruction, the state board for community and 8 technical colleges, ((the higher education coordinating board,)) and the workforce training and education coordinating board shall select 9 10 additional programs of study to develop, with a priority on high-demand programs as identified under RCW 28A.700.020. 11
- 12 **Sec. 510.** RCW 28B.07.040 and 1985 c 370 s 49 are each amended to read as follows:

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The authority is authorized and empowered to do the following, on such terms, with such security and undertakings, subject to such conditions, and in return for such consideration, as the authority shall determine in its discretion to be necessary, useful, or convenient in accomplishing the purposes of this chapter:

- 19 (1) To ((promulgate)) adopt rules in accordance with chapter 34.05 20 RCW;
  - (2) To adopt an official seal and to alter the same at pleasure;
  - (3) To maintain an office at any place or places as the authority may designate;
    - (4) To sue and be sued in its own name, and to plead and be impleaded;
    - (5) To make and execute agreements with participants and others and all other instruments necessary, useful, or convenient for the accomplishment of the purposes of this chapter;
    - (6) To provide long-term or short-term financing or refinancing to participants for project costs, by way of loan, lease, conditional sales contract, mortgage, option to purchase, or other financing or security device or any such combination;
    - (7) If, in order to provide to participants the financing or refinancing of project costs described in subsection (6) of this section, the authority deems it necessary or convenient for it to own a project or projects or any part of a project or projects, for any

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period of time, it may acquire, contract, improve, alter, rehabilitate, repair, manage, operate, mortgage, subject to a security interest, lease, sell, or convey the project;

- (8) To fix, revise from time to time, and charge and collect from participants and others rates, rents, fees, charges, and repayments as necessary to fully and timely reimburse the authority for all expenses incurred by it in providing the financing and refinancing and other services under this section and for the repayment, when due, of all the principal of, redemption premium, if any, and interest on all bonds issued under this chapter to provide the financing, refinancing, and services;
- (9) To accept and receive funds, grants, gifts, pledges, guarantees, mortgages, trust deeds, and other security instruments, and property from the federal government or the state or other public body, entity, or agency and from any public or private institution, association, corporation, or organization, including participants. It shall not accept or receive from the state or any taxing agency any money derived from taxes, except money to be devoted to the purposes of a project of the state or of a taxing agency;
- (10) To open and maintain a bank account or accounts in one or more qualified public depositories in this state and to deposit all or any part of authority funds therein;
- (11) To employ consulting engineers, architects, attorneys, accountants, construction and financial experts, superintendents, managers, an executive director, and such other employees and agents as may be necessary in its judgment to carry out the purposes of this chapter, and to fix their compensation;
- (12) To provide financing or refinancing to two or more participants for a single project or for several projects in such combinations as the authority deems necessary, useful, or convenient;
- (13) To charge to and equitably apportion among participants the administrative costs and expenses incurred in the exercise of the powers and duties conferred by this chapter;
- (14) ((To consult with the higher education coordinating board to determine project priorities under the purposes of this chapter; and
- (15)) To do all other things necessary, useful, or convenient to carry out the purposes of this chapter.

In the exercise of any of these powers, the authority shall incur no expense or liability which shall be an obligation, either general or special, of the state, or a general obligation of the authority, and shall pay no expense or liability from funds other than funds of the authority. Funds of the state shall not be used for such purpose.

- **Sec. 511.** RCW 28B.10.056 and 2006 c 180 s 2 are each amended to read as follows:
  - (1) A state priority is established for institutions of higher education, including community colleges, to encourage growing numbers of enrollments and degrees in the fields of engineering, technology, biotechnology, sciences, computer sciences, and mathematics.
  - (2) In meeting this state priority, the legislature understands and recognizes that the demands of the economic marketplace and the desires of students are not always on parallel tracks. Therefore, institutions of higher education shall determine local student demand for programs in the fields of engineering, technology, biotechnology, sciences, computer sciences, and mathematics and submit findings and proposed alternatives to meet demand to the higher education coordinating board and the legislature by November 1, 2008.
  - (3) While it is understood that these areas of emphasis should not be the sole focus of institutions of higher education. It is the intent of the legislature that steady progress in these areas occur. The ((higher education coordinating board)) institutions of higher education and the state board for community and technical colleges shall track and report progress in the fields of engineering, technology, biotechnology, sciences, computer sciences, and mathematics including, but not limited to, the following information:
- 28 (a) The number of students enrolled in these fields on a biennial 29 basis;
- 30 (b) The number of associate, bachelor's, and master's degrees 31 conferred in these fields on a biennial basis;
- 32 (c) The amount of expenditures in enrollment and degree programs in these fields; and
  - (d) The number and type of public-private partnerships established relating to these fields among institutions of higher education, including community colleges, and leading corporations in Washington state.

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(4) Institutions of higher education, including community colleges, shall be provided discretion and flexibility in achieving the objectives under this section. Examples of the types of institutional programs that may help achieve these objectives include, but are not limited to, establishment of institutes of technology, new polytechnic-based institutions, new divisions of existing institutions, and a flexible array of delivery models, including face-to-face learning, interactive courses, internet-based offerings, and instruction on main campuses, branch campuses, and other educational centers.

- (5) The legislature recognizes the global needs of the economic marketplace for technologically prepared graduates, and the relationship between technology industries and higher education. Institutions of higher education, including community colleges, are strongly urged to consider science, engineering, and technology program growth in areas of the state that exhibit a high concentration of aerospace, biotechnology, and technology industrial presence. Expanded science and technology programs can gain from the proximity of experienced and knowledgeable industry leaders, while industry can benefit from access to new sources of highly trained and educated graduates.
- **Sec. 512.** RCW 28B.10.125 and 2000 c 166 s 2 are each amended to 22 read as follows:
  - (1) Beginning in April 2000, representatives of the public baccalaureate institutions designated by the council of presidents, in consultation with representatives of the community and technical colleges ((and representatives of the higher education coordinating board)), shall convene an interinstitutional group to begin to: (a) Develop a definition of information and technology literacy; (b) develop strategies or standards by which to measure the achievement of information and technology literacy; and (c) develop a financial assessment of the cost of implementation.
  - (2) The baccalaureate institutions shall provide the house of representatives and senate committees on higher education with a progress report in January 2001.
- 35 (3) By the end of January 2002, the baccalaureate institutions 36 shall deliver to the house of representatives and senate committees on 37 higher education a report detailing: (a) The definition of information

and technology literacy; (b) strategies or standards for measurement; (c) institutionally specific plans for implementation; and (d) an evaluation of the feasibility of implementation taking into consideration cost.

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- (4) If the legislature determines that implementation is feasible, the public baccalaureate institutions shall pilot test strategies to assess and report on information and technology literacy during the 2002-03 academic year.
- 9 (5) By the end of January 2004, the institutions shall report to 10 the house of representatives and senate committees on higher education 11 the results of the 2002-03 pilot study.
- 12 (6) Implementation of assessment strategies shall begin in the 13 academic year 2003-04.
- (((7) The higher education coordinating board shall report results
  to the house of representatives and senate committees on higher
  education in the 2005 legislative session.))
- 17 **Sec. 513.** RCW 28B.10.5691 and 2008 c 168 s 2 are each amended to 18 read as follows:
- 19 (1) Each institution of higher education shall take the following 20 actions:
  - (a) By October 30, 2008, submit a self-study assessing its ability to facilitate the safety of students, faculty, staff, administration, and visitors on each campus, including an evaluation of the effectiveness of these measures, an assessment of the institution's ability to disseminate information in a timely and efficient manner to students, faculty, and staff, an evaluation of the institution's ability to provide an appropriate level of mental health services, and an action plan and timelines describing plans to maximize program effectiveness for the next two biennia. ((Four-year institutions shall submit their studies to the higher education coordinating board.)) Community and technical colleges shall submit their studies to the state board for community and technical colleges.
  - (b) By October 30th of each even-numbered year, beginning in 2010, each institution shall submit an update to its (([campus safety])) campus safety plan, including an assessment of the results of activities undertaken under any previous plan to address unmet safety

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issues, and additional activities, or modifications of current activities, to be undertaken to address remaining safety issues at the institution.

- (2) The ((higher education coordinating board)) institutions of higher education and the state board for community and technical colleges shall report biennially, beginning December 31, 2010, to the governor and the higher education committees of the house of representatives and the senate on:
- 9 (a) The efforts of each institution and the extent to which it has complied with RCW 28B.10.569 and subsection (1)(b) of this section; and
- 11 (b) Recommendations on measures to assist institutions to ensure 12 and enhance campus safety.
- **Sec. 514.** RCW 28B.10.682 and 1995 c 310 s 2 are each amended to 14 read as follows:

By June 30, 1996, in consultation with the commission on student learning, the superintendent of public instruction, the state board of education, faculty, teachers from institutions of higher education and high schools, and others as appropriate, ((the higher education coordinating board)) shall adopt common definitions of remedial and precollege material and course work. The definitions adopted by the board shall be rigorous, challenging students to come to college well prepared to engage in college and university work, and shall be adopted by each institution of higher education as defined in RCW 28B.10.016.

**Sec. 515.** RCW 28B.10.784 and 1993 sp.s. c 15 s 6 are each amended to read as follows:

The participation rate used to calculate enrollment levels under RCW 28B.10.776 and 28B.10.782 shall be based on fall enrollment reported in the higher education enrollment report as maintained by the office of financial management, fall enrollment as reported in the management information system of the state board for community and technical colleges, and the corresponding fall population forecast by the office of financial management. Formal estimates of the state participation rates and enrollment levels necessary to fulfill the requirements of RCW 28B.10.776 and 28B.10.782 shall be determined by the office of financial management as part of its responsibility to develop and maintain student enrollment forecasts for colleges and

universities under RCW 43.62.050. Formal estimates of the state participation rates and enrollment levels required by this section shall be based on procedures and standards established by a technical work group consisting of staff from ((the higher education coordinating board,)) the public four-year institutions of higher education, the state board for community and technical colleges, the fiscal and higher education committees of the house of representatives and the senate, and the office of financial management. Formal estimates of the state participation rates and enrollment levels required by this section submitted to the fiscal committees of the house representatives and senate on or before November 15th of each even-numbered year. ((The higher education coordinating board shall periodically review the enrollment goals set forth in RCW 28B.10.776 and 28B.10.782 and submit recommendations concerning modification of these goals to the governor and to the higher education committees of the house of representatives and the senate.)) 

Sec. 516. RCW 28B.15.068 and 2009 c 540 s 1 are each amended to read as follows:

- (1) Beginning with the 2007-08 academic year and ending with the 2016-17 academic year, tuition fees charged to full-time resident undergraduate students, except in academic years 2009-10 and 2010-11, may increase no greater than seven percent over the previous academic year in any institution of higher education. Annual reductions or increases in full-time tuition fees for resident undergraduate students shall be as provided in the omnibus appropriations act, within the seven percent increase limit established in this section. For academic years 2009-10 and 2010-11 the omnibus appropriations act may provide tuition increases greater than seven percent. To the extent that state appropriations combined with tuition and fee revenues are insufficient to achieve the total per-student funding goals established in subsection (2) of this section, the legislature may revisit state appropriations, authorized enrollment levels, and changes in tuition fees for any given fiscal year.
- (2) The state shall adopt as its goal total per-student funding levels, from state appropriations plus tuition and fees, of at least the sixtieth percentile of total per-student funding at similar public institutions of higher education in the global challenge states. In

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defining comparable per-student funding levels, the office of financial 1 2 management shall adjust for regional cost-of-living differences; for differences in program offerings and in the relative mix of lower 3 4 division, upper division, and graduate students; and for accounting and reporting differences among the comparison institutions. The office of 5 6 financial management shall develop a funding trajectory for each fouryear institution of higher education and for the community and 7 8 technical college system as a whole that when combined with tuition and 9 fees revenue allows the state to achieve its funding goal for each four-year institution and the community and technical college system as 10 11 a whole no later than fiscal year 2017. The state shall not reduce 12 enrollment levels below fiscal year 2007 budgeted levels in order to 13 improve or alter the per-student funding amount at any four-year institution of higher education or the community and technical college 14 15 system as a whole. The state recognizes that each four-year institution of higher education and the community and technical college 16 system as a whole have different funding requirements to achieve 17 desired performance levels, and that increases to the total per-student 18 19 funding amount may need to exceed the minimum funding goal.

- (3) By September 1st of each year beginning in 2008, the office of financial management shall report to the governor((, the higher education coordinating board,)) and appropriate committees of the legislature with updated estimates of the total per-student funding level that represents the sixtieth percentile of funding for comparable institutions of higher education in the global challenge states, and the progress toward that goal that was made for each of the public institutions of higher education.
- (4) As used in this section, "global challenge states" are the top performing states on the new economy index published by the progressive policy institute as of July 22, 2007. The new economy index ranks states on indicators of their potential to compete in the new economy. At least once every five years, the office of financial management shall determine if changes to the list of global challenge states are appropriate. The office of financial management shall report its findings to the governor and the legislature.
- (5) During the 2009-10 and the 2010-11 academic years, institutions of higher education shall include information on their billing

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- statements notifying students of tax credits available through the American opportunity tax credit provided in the American recovery and reinvestment act of 2009.
  - Sec. 517. RCW 28B.15.069 and 2005 c 258 s 10 are each amended to read as follows:

- (1) The building fee for each academic year shall be a percentage of total tuition fees. This percentage shall be calculated by the ((higher education coordinating board)) institutions of higher education and be based on the actual percentage the building fee is of total tuition for each tuition category in the 1994-95 academic year, rounded up to the nearest half percent.
- (2) The governing boards of each institution of higher education, except for the technical colleges, shall charge to and collect from each student a services and activities fee. A governing board may increase the existing fee annually, consistent with budgeting procedures set forth in RCW 28B.15.045, by a percentage not to exceed the annual percentage increase in student tuition fees for resident undergraduate students: PROVIDED, That such percentage increase shall not apply to that portion of the services and activities fee previously committed to the repayment of bonded debt. These rate adjustments may exceed the fiscal growth factor. For the 2003-04 academic year, the services and activities fee shall be based upon the resident undergraduate services and activities fee in 2002-03. The services and activities fee committee provided for in RCW 28B.15.045 may initiate a request to the governing board for a fee increase.
- (3) Tuition and services and activities fees consistent with subsection (2) of this section shall be set by the state board for community and technical colleges for community college summer school students unless the community college charges fees in accordance with RCW 28B.15.515.
- (4) Subject to the limitations of RCW 28B.15.910, each governing board of a community college may charge such fees for ungraded courses, noncredit courses, community services courses, and self-supporting courses as it, in its discretion, may determine, consistent with the rules of the state board for community and technical colleges.
- (5) The governing board of a college offering an applied baccalaureate degree program under RCW 28B.50.810 may charge tuition

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- 1 fees for those courses above the associate degree level at rates
- 2 consistent with rules adopted by the state board for community and
- 3 technical colleges, not to exceed tuition fee rates at the regional
- 4 universities.
- 5 **Sec. 518.** RCW 28B.15.730 and 1993 sp.s. c 18 s 27 are each amended to read as follows:
- Subject to the limitations of RCW 28B.15.910, the state board for 7 community and technical colleges and the governing boards of the state 8 9 universities, the regional universities, the community colleges, and 10 The Evergreen State College may waive all or a portion of the 11 nonresident tuition fees differential for residents of Oregon, upon 12 completion of and to the extent permitted by an agreement between the 13 ((higher education coordinating)) boards and appropriate officials and 14 agencies in Oregon granting similar waivers for residents of the state 15 of Washington.
- 16 **Sec. 519.** RCW 28B.15.734 and 1985 c 370 s 71 are each amended to read as follows:
- The ((higher education coordinating board)) state board for community and technical colleges and the governing boards of the state universities, the regional universities, and The Evergreen State College may enter into an agreement with appropriate officials or agencies in Oregon to implement the provisions of RCW 28B.15.730 through 28B.15.734.
- 24 **Sec. 520.** RCW 28B.15.750 and 1993 sp.s. c 18 s 29 are each amended 25 to read as follows:
- Subject to the limitations of RCW 28B.15.910, the governing boards 26 27 of the state universities, the regional universities, and The Evergreen State College and the state board for community and technical colleges 28 may waive all or a portion of the nonresident tuition fees differential 29 30 for residents of Idaho, upon completion of and to the extent permitted by an agreement between the ((higher education coordinating)) boards 31 32 and appropriate officials and agencies in Idaho granting similar 33 waivers for residents of the state of Washington.

**Sec. 521.** RCW 28B.15.754 and 1987 c 446 s 1 are each amended to 2 read as follows:

The ((higher education coordinating board)) state board for community and technical colleges and the governing boards of the state universities, the regional universities, and The Evergreen State College may enter into an agreement with appropriate officials or agencies in the state of Idaho to implement RCW 28B.15.750 and 28B.15.752. ((By January 10 of each odd-numbered year, the board shall review the costs and benefits of any agreement entered into under RCW 28B.15.750 and shall transmit copies of their review to the governor and the appropriate policy and fiscal committees of the legislature.))

**Sec. 522.** RCW 28B.15.756 and 1993 sp.s. c 18 s 30 are each amended 13 to read as follows:

Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, and The Evergreen State College and the state board for community and technical colleges may waive all or a portion of the nonresident tuition fees differential for residents of the Canadian province of British Columbia, upon completion of and to the extent permitted by an agreement between the ((higher education coordinating)) boards and appropriate officials and agencies in the Canadian province of British Columbia providing for enrollment opportunities for residents of the state of Washington without payment of tuition or fees in excess of those charged to residents of British Columbia.

**Sec. 523.** RCW 28B.15.758 and 1987 c 446 s 3 are each amended to read as follows:

The ((higher education coordinating board)) state board for community and technical colleges and the governing boards of the state universities, the regional universities, and The Evergreen State College may enter into an agreement with appropriate officials or agencies in the Canadian province of British Columbia to implement RCW 28B.15.756. The agreement should provide for a balanced exchange of enrollment opportunities, without payment of excess tuition or fees, for residents of the state of Washington or the Canadian province of British Columbia. ((By January 10 of each odd-numbered year, the board shall review the costs and benefits of any agreement entered into under

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- 1 RCW 28B.15.756 and shall transmit copies of their review to the
- 2 governor and the appropriate policy and fiscal committees of the
- 3 legislature.))

- **Sec. 524.** RCW 28B.20.308 and 2009 c 466 s 2 are each amended to read as follows:
  - (1) A global Asia institute is created within the Henry M. Jackson School of International Studies. The mission of the institute is to promote the understanding of Asia and its interactions with Washington state and the world. The institute shall host visiting scholars and policymakers, sponsor programs and learning initiatives, engage in collaborative research projects, and facilitate broader understanding and cooperation between the state of Washington and Asia through general public programs and targeted collaborations with specific communities in the state.
  - (2) Within existing resources, a global Asia institute advisory board is established. The director of the Henry M. Jackson School of International Studies shall appoint members of the advisory board and determine the advisory board's roles and responsibilities. The board shall include members representing academia, business, and government.
  - (((3) The higher education coordinating board may solicit, accept, receive, and administer federal funds or private funds, in trust or otherwise, and contract with foundations or with for profit or nonprofit organizations to support the purposes of this section.))
- **Sec. 525.** RCW 28B.20.478 and 2009 c 465 s 1 are each amended to 25 read as follows:
  - ((\(\frac{1+}{1+}\))) A University of Washington center for human rights is created. The mission of the center is to expand opportunities for Washington residents to receive a world-class education in human rights, generate research data and expert knowledge to enhance public and private policymaking, and become an academic center for human rights teaching and research in the nation. The center shall align with the founding principles and philosophies of the United States of America and engage faculty, staff, and students in service to enhance the promise of life and liberty as outlined in the Preamble of the United States Constitution. Key substantive issues for the center include: The rights of all persons to security against violence; the

rights of immigrants, native Americans, and ethnic or religious minorities; human rights and the environment; health as a human right; human rights and trade; the human rights of working people; and women's rights as human rights. State funds may not be used to support the center for human rights created in this section.

- (((2) The higher education coordinating board and the University of Washington may solicit, accept, receive, and administer federal funds or private funds, in trust or otherwise, and contract with foundations or with for-profit or nonprofit organizations to support the purposes of this section.))
- **Sec. 526.** RCW 28B.30.530 and 2010 c 165 s 3 are each amended to read as follows:
  - (1) The board of regents of Washington State University shall establish the Washington State University small business development center.
  - (2) The center shall provide management and technical assistance including but not limited to training, counseling, and research services to small businesses throughout the state. The center shall work with the department of commerce, the state board for community and technical colleges, ((the higher education coordinating board,)) the workforce training and education coordinating board, the employment security department, the Washington state economic development commission, associate development organizations, and workforce development councils to:
  - (a) Integrate small business development centers with other state and local economic development and workforce development programs;
    - (b) Target the centers' services to small businesses;
  - (c) Tailor outreach and services at each center to the needs and demographics of entrepreneurs and small businesses located within the service area;
  - (d) Establish and expand small business development center satellite offices when financially feasible; and
    - (e) Coordinate delivery of services to avoid duplication.
- 34 (3) The administrator of the center may contract with other public 35 or private entities for the provision of specialized services.
  - (4) The small business development center may accept and disburse federal grants or federal matching funds or other funds or donations

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from any source when made, granted, or donated to carry out the center's purposes. When drawing on funds from the business assistance account created in RCW 28B.30.531, the center must first use the funds to make increased management and technical assistance available to existing small businesses and start-up businesses at satellite offices. The funds may also be used to develop and expand assistance programs such as small business planning workshops and small business counseling.

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- (5) By December 1, 2010, the center shall provide a written progress report and a final report to the appropriate committees of the legislature with respect to the requirements in subsection (2) of this section and the amount and use of funding received through the business assistance account. The reports must also include data on the number, levels location, staffing, and budget of satellite offices; affiliations with community colleges, associate development organizations or other local organizations; the number, size, and type of small businesses assisted; and the types of services provided. reports must also include information on the outcomes achieved, such as jobs created or retained, private capital invested, and return on the investment of state and federal dollars.
- (6)(a) Subject to the availability of amounts appropriated for this specific purpose, by December 1, 2010, the center, in conjunction with the department of commerce, must prepare and present to the governor and appropriate legislative committees a specific, actionable plan to increase access to capital and technical assistance to small businesses and entrepreneurs beginning with the 2011-2013 biennium. In developing the plan, the center and the department may consult with the Washington state microenterprise association, and with other government, nonprofit, and private organizations as necessary. The plan must identify:
- (i) Existing sources of capital and technical assistance for small businesses and entrepreneurs;
  - (ii) Critical gaps and barriers to availability of capital and delivery of technical assistance to small businesses and entrepreneurs;
- 35 (iii) Workable solutions to filling the gaps and removing barriers 36 identified in (a)(ii) of this subsection; and
- (iv) The financial resources and statutory changes necessary to put the plan into effect beginning with the 2011-2013 biennium.

(b) With respect to increasing access to capital, the plan must identify specific, feasible sources of capital and practical mechanisms for expanding access to it.

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- (c) The center and the department must include, within the analysis and recommendations in (a) of this subsection, any specific gaps, barriers, and solutions related to rural and low-income communities and small manufacturers interested in exporting.
- 8 **Sec. 527.** RCW 28B.45.080 and 2004 c 57 s 5 are each amended to 9 read as follows:
- 10 The ((higher education coordinating board)) state board for 11 community and technical colleges and the governing boards of the state 12 universities, the regional universities, and The Evergreen State 13 College shall adopt performance measures to ensure a collaborative 14 partnership between the community and technical colleges and the branch The partnership shall be one in which the community and 15 technical colleges prepare students for transfer to the upper-division 16 17 programs of the branch campuses and the branch campuses work with 18 community and technical colleges to enable students to transfer and obtain degrees efficiently. 19
- 20 **Sec. 528.** RCW 28B.65.040 and 1995 c 399 s 29 are each amended to 21 read as follows:
- 22 (1) The Washington high-technology coordinating board is hereby 23 created.
- 24 (2) The board shall be composed of ((eighteen)) seventeen members 25 as follows:
  - (a) Eleven shall be citizen members appointed by the governor, with the consent of the senate, for four-year terms. In making the appointments the governor shall ensure that a balanced geographic representation of the state is achieved and shall attempt to choose persons experienced in high-technology fields, including at least one representative of labor. Any person appointed to fill a vacancy occurring before a term expires shall be appointed only for the remainder of that term; and
  - (b) ((Seven)) <u>Six</u> of the members shall be as follows: One representative from each of the state's two research universities, one representative of the state college and regional universities, the

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director for the state system of community and technical colleges or the director's designee, the superintendent of public instruction or the superintendent's designee, ((a representative of the higher education coordinating board,)) and the director of the department of ((community, trade, and economic development)) commerce or the director's designee.

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- (3) Members of the board shall not receive any salary for their services, but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060 for each day actually spent in attending to duties as a member of the board.
- 11 (4) A citizen member of the board shall not be, during the term of 12 office, a member of the governing board of any public or private 13 educational institution, or an employee of any state or local agency.
- 14 **Sec. 529.** RCW 28B.67.010 and 2006 c 112 s 2 are each amended to read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 18 (1) "Board" means the state board for community and technical 19 colleges.
  - (2) "Costs of training" and "training costs" means the direct costs experienced under a contract with a qualified training institution for formal technical or skill training, including basic skills. "Costs of training" includes amounts in the contract for costs of instruction, materials, equipment, rental of class space, marketing, and overhead. "Costs of training" does not include employee tuition reimbursements unless the tuition reimbursement is specifically included in a contract.
- 28 (3) "Participant" means a private employer that, under this 29 chapter, undertakes a training program with a qualified training 30 institution.
  - (4) "Qualified training institution" means a public community or technical college or a private vocational school licensed by ((either)) the workforce training and education coordinating board ((or the higher education coordinating board)).
- 35 (5) "Training allowance" and "allowance" means a voucher, credit, 36 or payment from the board to a participant to cover training costs.

1 (6) "Training program" means a program funded under this chapter at 2 a qualified training institution.

- Sec. 530. RCW 28B.103.030 and 1994 c 234 s 7 are each amended to read as follows:
- (1) Participants in the conditional scholarship program incur an obligation to repay the conditional scholarship, with interest, unless they serve in the Washington national guard for one additional year for each year of conditional scholarship received, under rules adopted by the office.
- (2) The entire principal and interest of each yearly repayment shall be forgiven for each additional year in which a participant serves in the Washington national guard, under rules adopted by the office.
- (3) If a participant elects to repay the conditional scholarship, the period of repayment shall be four years, with payments accruing quarterly commencing nine months from the date that the participant leaves the Washington national guard or withdraws from the institution of higher education, whichever comes first. The interest rate on the repayments shall be eight percent per year. Provisions for deferral and forgiveness shall be determined by the office.
- (4) The office is responsible for collection of repayments made under this section. The office shall exercise due diligence in such collection, maintaining all necessary records to ensure that maximum repayments are made. Collection and servicing of repayments under this section shall be pursued using the full extent of law, including wage garnishment if necessary. The office is responsible to forgive all or parts of such repayments under the criteria established in this section, and shall maintain all necessary records of forgiven payments. The office may contract with the ((higher education coordinating board)) office of student financial assistance for collection of repayments under this section.
- (5) Receipts from the payment of principal or interest paid by or on behalf of participants shall be deposited with the office and shall be used to cover the costs of granting the conditional scholarships, maintaining necessary records, and making collections under subsection (4) of this section. The office shall maintain accurate records of

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- 1 these costs, and all receipts beyond those necessary to pay such costs
- 2 shall be used to grant conditional scholarships to eligible students.
  - Sec. 531. RCW 28C.10.030 and 1994 sp.s. c 9 s 723 are each amended to read as follows:

This chapter does not apply to:

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- (1) Bona fide trade, business, professional, or fraternal organizations sponsoring educational programs primarily for that organization's membership or offered by that organization on a no-fee basis;
- 10 (2) Entities offering education that is exclusively avocational or 11 recreational;
  - (3) Education not requiring payment of money or other consideration if this education is not advertised or promoted as leading toward educational credentials;
  - (4) Entities that are established, operated, and governed by this state or its political subdivisions under Title 28A, 28B, or 28C RCW;
    - (5) Degree-granting programs in compliance with the rules of the ((higher education coordinating board)) office of financial management;
  - (6) Any other entity to the extent that it has been exempted from some or all of the provisions of this chapter under RCW 28C.10.100;
  - (7) Entities not otherwise exempt that are of a religious character, but only as to those educational programs exclusively devoted to religious or theological objectives and represented accurately in institutional catalogs or other official publications;
- 25 (8) Entities offering only courses certified by the federal aviation administration;
- 27 (9) Barber and cosmetology schools licensed under chapter 18.16 28 RCW;
- 29 (10) Entities which only offer courses approved to meet the 30 continuing education requirements for licensure under chapter 18.04, 31 18.79, or 48.17 RCW; and
- 32 (11) Entities not otherwise exempt offering only workshops or

seminars lasting no longer than three calendar days.

- 34 **Sec. 532.** RCW 28C.10.040 and 1994 c 38 s 5 are each amended to 35 read as follows:
- 36 The agency:

1 (1) Shall maintain a list of private vocational schools licensed 2 under this chapter;

- (2) Shall adopt rules in accordance with chapter 34.05 RCW to carry out this chapter;
- (3) May investigate any entity the agency reasonably believes to be subject to the jurisdiction of this chapter. In connection with the investigation, the agency may administer oaths and affirmations, issue subpoenas and compel attendance, take evidence, and require the production of any books, papers, correspondence, memorandums, or other records which the agency deems relevant or material to the investigation. The agency, including its staff and any other authorized persons, may conduct site inspections and examine records of all schools subject to this chapter;
- (((4) Shall develop an interagency agreement with the higher
  education coordinating board to regulate degree granting private
  vocational schools with respect to degree and nondegree programs.))
- **Sec. 533.** RCW 28C.18.030 and 1996 c 99 s 3 are each amended to 18 read as follows:
  - The purpose of the board is to provide planning, coordination, evaluation, monitoring, and policy analysis for the state training system as a whole, and advice to the governor and legislature concerning the state training system, in cooperation with the state training system ((and the higher education coordinating board)).
- **Sec. 534.** RCW 28C.18.060 and 2009 c 151 s 6 are each amended to 25 read as follows:
  - The board, in cooperation with the operating agencies of the state training system and private career schools and colleges, shall:
  - (1) Concentrate its major efforts on planning, coordination evaluation, policy analysis, and recommending improvements to the state's training system;
  - (2) Advocate for the state training system and for meeting the needs of employers and the workforce for workforce education and training;
  - (3) Establish and maintain an inventory of the programs of the state training system, and related state programs, and perform a biennial assessment of the vocational education, training, and adult

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basic education and literacy needs of the state; identify ongoing and strategic education needs; and assess the extent to which employment, training, vocational and basic education, rehabilitation services, and public assistance services represent a consistent, integrated approach to meet such needs;

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- (4) Develop and maintain a state comprehensive plan for workforce and education, including but not limited to, objectives, and priorities for the state training system, and review the state training system for consistency with the state comprehensive In developing the state comprehensive plan for workforce training and education, the board shall use, but shall not be limited to: Economic, labor market, and populations trends reports in office of financial management forecasts; joint office of financial management and employment security department labor force, industry employment, and occupational forecasts; the results of scientifically based outcome, net-impact and cost-benefit evaluations; the needs employers as evidenced in formal employer surveys and other employer input; and the needs of program participants and workers as evidenced in formal surveys and other input from program participants and the labor community;
- (5) ((In consultation with the higher education coordinating board,)) Review and make recommendations to the office of financial management and the legislature on operating and capital facilities budget requests for operating agencies of the state training system for purposes of consistency with the state comprehensive plan for workforce training and education;
- (6) Provide for coordination among the different operating agencies and components of the state training system at the state level and at the regional level;
- (7) Develop a consistent and reliable database on vocational education enrollments, costs, program activities, and job placements from publicly funded vocational education programs in this state;
- (8)(a) Establish standards for data collection and maintenance for the operating agencies of the state training system in a format that is accessible to use by the board. The board shall require a minimum of common core data to be collected by each operating agency of the state training system;

(b) Develop requirements for minimum common core data in consultation with the office of financial management and the operating agencies of the training system;

- (9) Establish minimum standards for program evaluation for the operating agencies of the state training system, including, but not limited to, the use of common survey instruments and procedures for measuring perceptions of program participants and employers of program participants, and monitor such program evaluation;
- (10) Every two years administer scientifically based outcome evaluations of the state training system, including, but not limited to, surveys of program participants, surveys of employers of program participants, and matches with employment security department payroll and wage files. Every five years administer scientifically based netimpact and cost-benefit evaluations of the state training system;
- (11) In cooperation with the employment security department, provide for the improvement and maintenance of quality and utility in occupational information and forecasts for use in training system planning and evaluation. Improvements shall include, but not be limited to, development of state-based occupational change factors involving input by employers and employees, and delineation of skill and training requirements by education level associated with current and forecasted occupations;
- (12) Provide for the development of common course description formats, common reporting requirements, and common definitions for operating agencies of the training system;
- (13) Provide for effectiveness and efficiency reviews of the state training system;
- (14) In cooperation with the ((higher education coordinating board)) state board for community and technical colleges and the four-year institutions of higher education, facilitate transfer of credit policies and agreements between institutions of the state training system, and encourage articulation agreements for programs encompassing two years of secondary workforce education and two years of postsecondary workforce education;
- (15) In cooperation with the ((higher education coordinating board)) state board for community and technical colleges and the four-year institutions of higher education, facilitate transfer of credit

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policies and agreements between private training institutions and institutions of the state training system;

- (16) Develop policy objectives for the workforce investment act, P.L. 105-220, or its successor; develop coordination criteria for activities under the act with related programs and services provided by state and local education and training agencies; and ensure that entrepreneurial training opportunities are available through programs of each local workforce investment board in the state;
- (17) Make recommendations to the commission of student assessment, the state board of education, and the superintendent of public instruction, concerning basic skill competencies and essential core competencies for K-12 education. Basic skills for this purpose shall be reading, writing, computation, speaking, and critical thinking, essential core competencies for this purpose shall be English, math, science/technology, history, geography, and critical thinking. The board shall monitor the development of and provide advice concerning secondary curriculum which integrates vocational and academic education;
  - (18) Establish and administer programs for marketing and outreach to businesses and potential program participants;
  - (19) Facilitate the location of support services, including but not limited to, child care, financial aid, career counseling, and job placement services, for students and trainees at institutions in the state training system, and advocate for support services for trainees and students in the state training system;
  - (20) Facilitate private sector assistance for the state training system, including but not limited to: Financial assistance, rotation of private and public personnel, and vocational counseling;
  - (21) Facilitate the development of programs for school-to-work transition that combine classroom education and on-the-job training, including entrepreneurial education and training, in industries and occupations without a significant number of apprenticeship programs;
- (22) Include in the planning requirements for local workforce investment boards a requirement that the local workforce investment boards specify how entrepreneurial training is to be offered through the one-stop system required under the workforce investment act, P.L. 105-220, or its successor;

(23) Encourage and assess progress for the equitable representation of racial and ethnic minorities, women, and people with disabilities among the students, teachers, and administrators of the state training system. Equitable, for this purpose, shall mean substantially proportional to their percentage of the state population in the geographic area served. This function of the board shall in no way lessen more stringent state or federal requirements for representation of racial and ethnic minorities, women, and people with disabilities;

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- (24) Participate in the planning and policy development of governor set-aside grants under P.L. 97-300, as amended;
- (25) Administer veterans' programs, licensure of private vocational schools, the job skills program, and the Washington award for vocational excellence;
  - (26) Allocate funding from the state job training trust fund;
- (27) Work with the director of ((community, trade, and economic development)) the department of commerce and the economic development commission to ensure coordination among workforce training priorities, the long-term economic development strategy of the economic development commission, and economic development and entrepreneurial development efforts, including but not limited to assistance to industry clusters;
- (28) Conduct research into workforce development programs designed to reduce the high unemployment rate among young people between approximately eighteen and twenty-four years of age. In consultation with the operating agencies, the board shall advise the governor and legislature on policies and programs to alleviate the high unemployment rate among young people. The research shall include disaggregated demographic information and, to the extent possible, income data for The research shall also include a comparison of the adult youth. effectiveness of programs examined as a part of the research conducted in this subsection in relation to the public investment made in these programs in reducing unemployment of young adults. The board shall report to the appropriate committees of the legislature by November 15, 2008, and every two years thereafter. Where possible, the data reported to the legislative committees should be reported in numbers and in percentages;
  - (29) Adopt rules as necessary to implement this chapter.
- The board may delegate to the director any of the functions of this section.

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**Sec. 535.** RCW 28C.18.132 and 2008 c 258 s 2 are each amended to read as follows:

- (1) To the extent funds are appropriated specifically for this purpose and in partnership with the state board for community and technical colleges, the board shall convene a work group that includes representatives from the prosperity partnership, the technology alliance, ((the higher education coordinating board,)) a private career or vocational school, a four-year public institution of higher education, the council of faculty representatives, the united faculty of Washington state, community and technical college faculty, and a community and technical college student, to take the following actions related to electronically distributed learning:
- (a) Identify and evaluate current national private employer workplace-based educational programs with electronically distributed learning components provided by public colleges and universities. The evaluation shall include:
- (i) A review of the literature and interviews of practitioners about promising practices and results;
- (ii) An initial determination of feasibility based on targeted populations served, subject matter, and level of education;
- (iii) An overview of technological considerations and adult learning strategies for distribution of learning to employer sites; and
- (iv) An overview of cost factors, including shared costs or coinvestments by public and private partners;
- (b) Review and, to the extent necessary, establish standards and best practices regarding electronically distributed learning and related support services including online help desk support, advising, mentoring, counseling, and tutoring;
- (c) Recommend methods to increase student access to electronically distributed learning programs of study and identify barriers to programs of study participation and completion;
- (d) Determine methods to increase the institutional supply and quality of open course materials, with a focus on the OpenCourseWare initiative at the Massachusetts Institute of Technology;
- 35 (e) Recommend methods to increase the availability and use of digital open textbooks; and
- 37 (f) Review and report demographic information on electronically

1 distributed learning programs of study enrollments, retention, and 2 completions.

(2) The board shall work in cooperation with the state board for community and technical colleges to report the preliminary results of the studies to the appropriate committees of the legislature by December 1, 2008, and a final report by December 1, 2009.

- **Sec. 536.** RCW 28C.18.134 and 2008 c 258 s 3 are each amended to 8 read as follows:
  - (1) To the extent funds are appropriated specifically for this purpose, the board shall use a matching fund strategy to select and evaluate up to eight pilot projects operated by Washington institutions of higher education. By September 2008, the board shall select up to eight institutions of higher education as defined in RCW 28B.92.030 including at least four community or technical colleges to develop and offer a pilot project providing employer workplace-based educational programs with distance learning components. The board shall convene a task force that includes representatives from the state board for community and technical colleges ((and the higher education coordinating board)) to select the participant institutions. At a minimum, the criteria for selecting the educational institutions shall address:
    - (a) The ability to demonstrate a capacity to make a commitment of resources to build and sustain a high quality program;
    - (b) The ability to readily engage faculty appropriately qualified to develop and deliver a high quality curriculum;
    - (c) The ability to demonstrate demand for the proposed program from a sufficient number of interested employees within its service area to make the program cost-effective and feasible to operate; and
    - (d) The identification of employers that demonstrate a commitment to host an on-site program. Employers shall demonstrate their commitment to provide:
    - (i) Access to educational coursework and educational advice and support for entry-level and semiskilled workers, including paid and unpaid release time, and adequate classroom space that is equipped appropriately for the selected technological distance learning methodologies to be used;

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(ii) On-site promotion and encouragement of worker participation, including employee orientations, peer support and mentoring, educational tutoring, and career planning;

- (iii) Allowance of a reasonable level of worker choice in the type and level of coursework available;
- (iv) Commitment to work with college partner to ensure the relevance of coursework to the skill demands and potential career pathways of the employer host site and other participating employers;
- (v) Willingness to participate in an evaluation of the pilot to analyze the net benefit to the employer host site, other employer partners, the worker-students, and the colleges; and
- (vi) In firms with union representation, the mandatory establishment of a labor-management committee to oversee design and participation.
- (2) Institutions of higher education may submit an application to become a pilot college under this section. An institution of higher education selected as a pilot college shall develop the curriculum for and design and deliver courses. However, the programs developed under this section are subject to approval by the state board for technical and community colleges under RCW 28B.50.090 and by the ((higher education coordinating board under RCW 28B.76.230)) office of financial management.
- 23 (3) The board shall evaluate the pilot project and report the outcomes to students and employers by December 1, 2012.
- **Sec. 537.** RCW 43.09.440 and 2005 c 385 s 5 are each amended to 26 read as follows:
  - (1) The board and the state auditor shall collaborate with the joint legislative audit and review committee regarding performance audits of state government.
  - (a) The board shall establish criteria for performance audits consistent with the criteria and standards followed by the joint legislative audit and review committee. This criteria shall include, at a minimum, the auditing standards of the United States government accountability office, as well as legislative mandates and performance objectives established by state agencies and the legislature. Mandates include, but are not limited to, agency strategies, timelines, program objectives, and mission and goals as required in RCW 43.88.090.

- (b) Using the criteria developed in (a) of this subsection, the state auditor shall contract for a statewide performance review to be completed as expeditiously as possible as a preliminary to a draft work plan for conducting performance audits. The board and the state auditor shall develop a schedule and common methodology for conducting these reviews. The purpose of these performance reviews is to identify those agencies, programs, functions, or activities most likely to benefit from performance audits and to identify likely areas warranting early review, taking into account prior performance audits, if any, and prior fiscal audits.
- (c) The board and the state auditor shall develop the draft work plan for performance audits based on input from citizens, state employees, including front-line employees, state managers, chairs and ranking members of appropriate legislative committees, the joint legislative audit and review committee, public officials, and others. The draft work plan may include a list of agencies, programs, or systems to be audited on a timeline decided by the board and the state auditor based on a number of factors including risk, importance, and citizen concerns. When putting together the draft work plan, there should be consideration of all audits and reports already required. On average, audits shall be designed to be completed as expeditiously as possible.
- (d) Before adopting the final work plan, the board shall consult with the legislative auditor and other appropriate oversight and audit entities to coordinate work plans and avoid duplication of effort in their planned performance audits of state government agencies. The board shall defer to the joint legislative audit and review committee work plan if a similar audit is included on both work plans for auditing.
- 30 (e) The state auditor shall contract out for performance audits.
  31 In conducting the audits, agency front-line employees and internal
  32 auditors should be involved.
  - (f) All audits must include consideration of reports prepared by other government oversight entities.
    - (g) The audits may include:

(i) Identification of programs and services that can be eliminated,reduced, consolidated, or enhanced;

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1 (ii) Identification of funding sources to the state agency, to 2 programs, and to services that can be eliminated, reduced, 3 consolidated, or enhanced;

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- (iii) Analysis of gaps and overlaps in programs and services and recommendations for improving, dropping, blending, or separating functions to correct gaps or overlaps;
- (iv) Analysis and recommendations for pooling information technology systems used within the state agency, and evaluation of information processing and telecommunications policy, organization, and management;
- (v) Analysis of the roles and functions of the state agency, its programs, and its services and their compliance with statutory authority and recommendations for eliminating or changing those roles and functions and ensuring compliance with statutory authority;
- (vi) Recommendations for eliminating or changing statutes, rules, and policy directives as may be necessary to ensure that the agency carry out reasonably and properly those functions vested in the agency by statute;
- 19 (vii) Verification of the reliability and validity of agency 20 performance data, self-assessments, and performance measurement systems 21 as required under RCW 43.88.090;
- (viii) Identification of potential cost savings in the state agency, its programs, and its services;
  - (ix) Identification and recognition of best practices;
  - (x) Evaluation of planning, budgeting, and program evaluation policies and practices;
    - (xi) Evaluation of personnel systems operation and management;
- 28 (xii) Evaluation of state purchasing operations and management 29 policies and practices; and
  - (xiii) Evaluation of organizational structure and staffing levels, particularly in terms of the ratio of managers and supervisors to nonmanagement personnel.
  - (h) The state auditor must solicit comments on preliminary performance audit reports from the audited state agency, the office of the governor, the office of financial management, the board, the chairs and ranking members of appropriate legislative committees, and the joint legislative audit and review committee for comment. Comments must be received within thirty days after receipt of the preliminary

- performance audit report unless a different time period is approved by the state auditor. All comments shall be incorporated into the final performance audit report. The final performance audit report shall include the objectives, scope, and methodology; the audit results, including findings and recommendations; conclusions; and identification of best practices.
  - (i) The board and the state auditor shall jointly release final performance audit reports to the governor, the citizens of Washington, the joint legislative audit and review committee, and the appropriate standing legislative committees. Final performance audit reports shall be posted on the internet.
- 12 (j) For institutions of higher education, performance audits shall 13 not duplicate, and where applicable, shall make maximum use of existing 14 audit records, accreditation reviews, and performance measures required by the office of financial management, the ((higher)) workforce 15 training and education coordinating board, and nationally or regionally 16 17 recognized accreditation organizations including accreditation of 18 hospitals licensed under chapter 70.41 RCW and ambulatory care 19 facilities.
- 20 (2) The citizen board created under RCW 44.75.030 shall be 21 responsible for performance audits for transportation related agencies 22 as defined under RCW 44.75.020.
- 23 **Sec. 538.** RCW 43.43.934 and 2010 1st sp.s. c 7 s 45 are each 24 amended to read as follows:

The director of fire protection shall:

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- (1)(a)(i) With the state board for community and technical colleges, provide academic, vocational, and field training programs for the fire service; and (ii) with the ((higher education coordinating board and)) the state colleges and universities, provide instructional programs requiring advanced training, especially in command and management skills;
- (b) Cooperate with the common schools, technical and community colleges, institutions of higher education, and any department or division of the state, or of any county or municipal corporation in establishing and maintaining instruction in fire service training and education in accordance with any act of congress and legislation

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enacted by the legislature in pursuance thereof and in establishing, building, and operating training and education facilities.

Industrial fire departments and private fire investigators may participate in training and education programs under this chapter for a reasonable fee established by rule;

- (c) Develop and adopt a master plan for constructing, equipping, maintaining, and operating necessary fire service training and education facilities subject to the provisions of chapter 43.19 RCW;
- (d) Develop and adopt a master plan for the purchase, lease, or other acquisition of real estate necessary for fire service training and education facilities in a manner provided by law; and
- (e) Develop and adopt a plan with a goal of providing firefighter one and wildland training to all firefighters in the state. Wildland training reimbursement will be provided if a fire protection district or a city fire department has and is fulfilling their interior attack policy or if they do not have an interior attack policy. The plan will include a reimbursement for fire protection districts and city fire departments of not less than three dollars for every hour of firefighter one or wildland training. The Washington state patrol shall not provide reimbursement for more than two hundred hours of firefighter one or wildland training for each firefighter trained.
- (2)(a) Promote mutual aid and disaster planning for fire services in this state;
- (b) Assure the dissemination of information concerning the amount of fire damage including that damage caused by arson, and its causes and prevention; and
- (c) Implement any legislation enacted by the legislature to meet the requirements of any acts of congress that apply to this section.
- (3) In carrying out its statutory duties, the office of the state fire marshal shall give particular consideration to the appropriate roles to be played by the state and by local jurisdictions with fire protection responsibilities. Any determinations on the division of responsibility shall be made in consultation with local fire officials and their representatives.

To the extent possible, the office of the state fire marshal shall encourage development of regional units along compatible geographic, population, economic, and fire risk dimensions. Such regional units may serve to: (a) Reinforce coordination among state and local

- activities in fire service training, reporting, inspections, and 1 2 investigations; (b) identify areas of special need, particularly in smaller jurisdictions with inadequate resources; (c) assist the state 3 in its oversight responsibilities; (d) identify funding needs and 4 5 options at both the state and local levels; and (e) provide models for building local capacity in fire protection programs. 6
- 7 **Sec. 539.** RCW 43.43.938 and 2010 1st sp.s. c 7 s 46 are each 8 amended to read as follows:

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- (1) Wherever the term state fire marshal appears in the Revised Code of Washington or the Washington Administrative Code it shall mean the director of fire protection.
- (2) The chief of the Washington state patrol shall appoint an officer who shall be known as the director of fire protection.
- (3) The director of fire protection may designate one or more deputies and may delegate to those deputies his or her duties and authorities as deemed appropriate.
- (4) The director of fire protection shall prepare a biennial budget pertaining to fire protection services. Such biennial budget shall be submitted as part of the Washington state patrol's budget request.
- 20 The director of fire protection, shall implement and (5) 21 administer, within constraints established by budgeted resources, all 22 duties of the chief of the Washington state patrol that are to be carried out through the director of fire protection, and all of the 23 duties of the director of fire protection. Such administration shall 24 25 include negotiation of agreements with the state board for community 26 and technical colleges((, the higher education coordinating board,)) 27 and the state colleges and universities as provided in RCW 43.43.934. Programs covered by such agreements shall include, but not be limited 28 to, planning curricula, developing and delivering instructional programs and materials, and using existing instructional personnel and 30 31 facilities. Where appropriate, such contracts shall also include planning and conducting instructional programs at the state fire 32 33 service training center.
- 34 Sec. 540. RCW 43.60A.151 and 2007 c 451 s 3 are each amended to 35 read as follows:
  - (1) The department shall assist veterans enrolled in the veterans

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- conservation corps with obtaining employment in conservation programs 1 2 and projects that restore Washington's natural habitat, maintain and 3 steward local, state, and federal forest lands and other outdoor lands, 4 maintain and improve urban and suburban storm water management 5 facilities and other water management facilities, and other 6 environmental maintenance, stewardship, and restoration projects. department shall consult with the workforce training and education 7 8 coordinating board, the state board for community and technical 9 colleges, ((the higher education coordinating board,)) the employment 10 security department, and other state agencies administering 11 conservation corps programs, to incorporate training, education, and 12 certification in environmental restoration and management fields into 13 the program. The department may enter into agreements with community 14 colleges, private schools, state or local agencies, or other entities 15 to provide training and educational courses as part of the enrollee 16 benefits from the program.
  - (2) The department may receive gifts, grants, federal funds, or other moneys from public or private sources, for the use and benefit of the veterans conservation corps program. The funds shall be deposited to the veterans conservation corps account created in RCW 43.60A.153.
  - (3) The department shall submit a report to the appropriate committees of the legislature by December 1, 2008, on the status of the veterans conservation corps program, including the number of enrollees employed in projects, training provided, certifications earned, employment placements achieved, program funding provided from all sources, and the results of the pilot project authorized in section 4, chapter 451, Laws of 2007.
- 28 **Sec. 541.** RCW 43.88.090 and 2005 c 386 s 2 are each amended to 29 read as follows:
  - (1) For purposes of developing budget proposals to the legislature, the governor shall have the power, and it shall be the governor's duty, to require from proper agency officials such detailed estimates and other information in such form and at such times as the governor shall direct. The governor shall communicate statewide priorities to agencies for use in developing biennial budget recommendations for their agency and shall seek public involvement and input on these priorities. The estimates for the legislature and the judiciary shall

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be transmitted to the governor and shall be included in the budget without revision. The estimates for state pension contributions shall be based on the rates provided in chapter 41.45 RCW. Copies of all such estimates shall be transmitted to the standing committees on ways and means of the house and senate at the same time as they are filed with the governor and the office of financial management.

The estimates shall include statements or tables which indicate, by agency, the state funds which are required for the receipt of federal matching revenues. The estimates shall be revised as necessary to reflect legislative enactments and adopted appropriations and shall be included with the initial biennial allotment submitted under RCW 43.88.110. The estimates must reflect that the agency considered any alternatives to reduce costs or improve service delivery identified in the findings of a performance audit of the agency by the joint legislative audit and review committee. Nothing in this subsection requires performance audit findings to be published as part of the budget.

- (2) Each state agency shall define its mission and establish measurable goals for achieving desirable results for those who receive its services and the taxpayers who pay for those services. Each agency shall also develop clear strategies and timelines to achieve its goals. This section does not require an agency to develop a new mission or goals in place of identifiable missions or goals that meet the intent of this section. The mission and goals of each agency must conform to statutory direction and limitations.
- (3) For the purpose of assessing activity performance, each state agency shall establish quality and productivity objectives for each major activity in its budget. The objectives must be consistent with the missions and goals developed under this section. The objectives must be expressed to the extent practicable in outcome-based, objective, and measurable form unless an exception to adopt a different standard is granted by the office of financial management and approved by the legislative committee on performance review. Objectives must specifically address the statutory purpose or intent of the program or activity and focus on data that measure whether the agency is achieving or making progress toward the purpose of the activity and toward statewide priorities. The office of financial management shall provide necessary professional and technical assistance to assist state

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agencies in the development of strategic plans that include the mission of the agency and its programs, measurable goals, strategies, and performance measurement systems.

- (4) Each state agency shall adopt procedures for and perform continuous self-assessment of each activity, using the mission, goals, objectives, and measurements required under subsections (2) and (3) of this section. The assessment of the activity must also include an evaluation of major information technology systems or projects that may assist the agency in achieving or making progress toward the activity purpose and statewide priorities. The evaluation of proposed major information technology systems or projects shall be in accordance with the standards and policies established by the information services board. Agencies' progress toward the mission, goals, objectives, and measurements required by subsections (2) and (3) of this section is subject to review as set forth in this subsection.
- (a) The office of financial management shall regularly conduct reviews of selected activities to analyze whether the objectives and measurements submitted by agencies demonstrate progress toward statewide results.
- (b) The office of financial management shall consult with the ((higher education coordinating board and the)) state board for community and technical colleges in those reviews that involve ((institutions of higher education)) community and technical colleges.
- (c) The goal is for all major activities to receive at least one review each year.
- (d) The office of financial management shall consult with the information services board when conducting reviews of major information technology systems in use by state agencies. The goal is that reviews of these information technology systems occur periodically.
- (5) It is the policy of the legislature that each agency's budget recommendations must be directly linked to the agency's stated mission and program, quality, and productivity goals and objectives. Consistent with this policy, agency budget proposals must include integration of performance measures that allow objective determination of an activity's success in achieving its goals. When a review under subsection (4) of this section or other analysis determines that the agency's objectives demonstrate that the agency is making insufficient progress toward the goals of any particular program or is otherwise

underachieving or inefficient, the agency's budget request shall 1 2 contain proposals to remedy or improve the selected programs. office of financial management shall develop a plan to merge the budget 3 4 development process with agency performance assessment procedures. plan must include a schedule to integrate agency strategic plans and 5 6 performance measures into agency budget requests and the governor's budget proposal over three fiscal biennia. 7 The plan must identify 8 those agencies that will implement the revised budget process in the 9 1997-1999 biennium, the 1999-2001 biennium, and the 2001-2003 biennium. In consultation with the legislative fiscal committees, the office of 10 11 financial management shall recommend statutory and procedural 12 modifications to the state's budget, accounting, and reporting systems 13 to facilitate the performance assessment procedures and the merger of those procedures with the state budget process. 14 The plan and 15 recommended statutory and procedural modifications must be submitted to the legislative fiscal committees by September 30, 1996. 16

(6) In reviewing agency budget requests in order to prepare the governor's biennial budget request, the office of financial management shall consider the extent to which the agency's activities demonstrate progress toward the statewide budgeting priorities, along with any specific review conducted under subsection (4) of this section.

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- (7) In the year of the gubernatorial election, the governor shall invite the governor-elect or the governor-elect's designee to attend all hearings provided in RCW 43.88.100; and the governor shall furnish the governor-elect or the governor-elect's designee with such information as will enable the governor-elect or the governor-elect's designee to gain an understanding of the state's budget requirements. The governor-elect or the governor-elect's designee may ask such questions during the hearings and require such information as the governor-elect or the governor-elect's designee deems necessary and may make recommendations in connection with any item of the budget which, with the governor-elect's reasons therefor, shall be presented to the legislature in writing with the budget document. Copies of all such estimates and other required information shall also be submitted to the standing committees on ways and means of the house and senate.
- 36 **Sec. 542.** RCW 43.88D.010 and 2010 c 245 s 9 are each amended to read as follows:

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(1) By October 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions of higher education and submit the results of the scoring process to the legislative fiscal committees((, the higher education coordinating board,)) and the four-year institutions. Each project must be reviewed and scored within one of the following categories, according to the project's principal purpose. Each project may be scored in only one category. The categories are:

- (a) Access-related projects to accommodate enrollment growth at main and branch campuses, at existing or new university centers, or through distance learning. Growth projects should provide significant additional student capacity. Proposed projects must demonstrate that they are based on solid enrollment demand projections, more cost-effectively provide enrollment access than alternatives such as university centers and distance learning, and make cost-effective use of existing and proposed new space;
- (b) Projects that replace failing permanent buildings. Facilities that cannot be economically renovated are considered replacement projects. New space may be programmed for the same or a different use than the space being replaced and may include additions to improve access and enhance the relationship of program or support space;
- (c) Projects that renovate facilities to restore building life and upgrade space to meet current program requirements. Renovation projects should represent a complete renovation of a total facility or an isolated wing of a facility. A reasonable renovation project should cost between sixty to eighty percent of current replacement value and restore the renovated area to at least twenty-five years of useful life. New space may be programmed for the same or a different use than the space being renovated and may include additions to improve access and enhance the relationship of program or support space;
  - (d) Major stand-alone campus infrastructure projects;
- (e) Projects that promote economic growth and innovation through expanded research activity. The acquisition and installation of specialized equipment is authorized under this category; and
- (f) Other project categories as determined by the office of financial management in consultation with the legislative fiscal committees.

(2) The office of financial management, in consultation with the legislative fiscal committees, shall establish a scoring system and process for each four-year project category that is based on the framework used in the community and technical college system of prioritization. Staff from the state board for community and technical colleges((, the higher education coordinating board,)) and the four-year institutions shall provide technical assistance on the development of a scoring system and process.

- (3) The office of financial management shall consult with the legislative fiscal committees in the scoring of four-year institution project proposals, and may also solicit participation by independent experts.
- (a) For each four-year project category, the scoring system must, at a minimum, include an evaluation of enrollment trends, reasonableness of cost, the ability of the project to enhance specific strategic master plan goals, age and condition of the facility if applicable, and impact on space utilization.
- (b) Each four-year project category may include projects at the predesign, design, or construction funding phase.
- (c) To the extent possible, the objective analysis and scoring system of all capital budget projects shall occur within the context of any and all performance agreements between the office of financial management and the governing board of a public, four-year institution of higher education that aligns goals, priorities, desired outcomes, flexibility, institutional mission, accountability, and levels of resources.
- (4) In evaluating and scoring four-year institution projects, the office of financial management shall take into consideration project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia.
- (5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that four-year institutions must use in developing their project proposals and lists under this section.

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1 (6) In developing any scoring system for capital projects proposed 2 by the four-year institutions, the office of financial management:

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- (a) Shall be provided with all required information by the fouryear institutions as deemed necessary by the office of financial management;
- (b) May utilize independent services to verify, sample, or evaluate information provided to the office of financial management by the four-year institutions; and
- (c) Shall have full access to all data maintained by the higher education coordinating board and the joint legislative audit and review committee concerning the condition of higher education facilities.
- 12 (7) By August 1st of each even-numbered year each public four-year 13 higher education institution shall prepare and submit prioritized lists 14 of the individual projects proposed by the institution for the ensuing six-year period in each category. The lists must be submitted to the 15 office of financial management and the legislative fiscal committees. 16 17 The four-year institutions may aggregate minor works project proposals by primary purpose for ranking purposes. Proposed minor works projects 18 must be prioritized within the aggregated proposal, and supporting 19 20 documentation, including project descriptions and cost estimates, must 21 be provided to the office of financial management and the legislative 22 fiscal committees.
- 23 **Sec. 543.** RCW 43.105.400 and 2009 c 509 s 10 are each amended to 24 read as follows:
  - (1) Subject to the availability of federal or state funding, the department may reconvene the high-speed internet work group previously established by chapter 262, Laws of 2008. The work group is renamed the advisory council on digital inclusion, and is an advisory group to the department. The council must include, but is not limited to, volunteer representatives from community technology organizations, telecommunications providers, higher education institutions, K-12 education institutions, public health institutions, public housing entities, and local government and other governmental entities that are engaged in community technology activities.
  - (2) The council shall prepare a report by January 15th of each year and submit it to the department, the governor, and the appropriate committees of the legislature. The report must contain:

(a) An analysis of how support from public and private sector partnerships, the philanthropic community, and other not-for-profit organizations in the community, along with strong relationships with the state board for community and technical colleges((, the higher education coordinating board,)) and higher education institutions, could establish a variety of high-speed internet access alternatives for citizens;

- (b) Proposed strategies for continued broadband deployment and adoption efforts, as well as further development of advanced telecommunications applications;
- (c) Recommendations on methods for maximizing the state's research and development capacity at universities and in the private sector for developing advanced telecommunications applications and services, and recommendations on incentives to stimulate the demand for and development of these applications and services;
- (d) An identification of barriers that hinder the advancement of technology entrepreneurship in the state; and
- (e) An evaluation of programs designed to advance digital literacy and computer access that are made available by the federal government, local agencies, telecommunications providers, and business and charitable entities.
- **Sec. 544.** RCW 43.215.090 and 2010 c 234 s 3 are each amended to 23 read as follows:
  - (1) The early learning advisory council is established to advise the department on statewide early learning issues that would build a comprehensive system of quality early learning programs and services for Washington's children and families by assessing needs and the availability of services, aligning resources, developing plans for data collection and professional development of early childhood educators, and establishing key performance measures.
- 31 (2) The council shall work in conjunction with the department to 32 develop a statewide early learning plan that guides the department in 33 promoting alignment of private and public sector actions, objectives, 34 and resources, and ensuring school readiness.
  - (3) The council shall include diverse, statewide representation from public, nonprofit, and for-profit entities. Its membership shall

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reflect regional, racial, and cultural diversity to adequately represent the needs of all children and families in the state.

- (4) Council members shall serve two-year terms. However, to stagger the terms of the council, the initial appointments for twelve of the members shall be for one year. Once the initial one-year to two-year terms expire, all subsequent terms shall be for two years, with the terms expiring on June 30th of the applicable year. The terms shall be staggered in such a way that, where possible, the terms of members representing a specific group do not expire simultaneously.
- (5) The council shall consist of not more than twenty-three members, as follows:
- (a) The governor shall appoint at least one representative from each of the following: The department, the office of financial management, the department of social and health services, the department of health, ((the higher education coordinating board,)) and the state board for community and technical colleges;
- (b) One representative from the office of the superintendent of public instruction, to be appointed by the superintendent of public instruction;
- (c) The governor shall appoint seven leaders in early childhood education, with at least one representative with experience or expertise in each of the areas such as the following: Children with disabilities, the K-12 system, family day care providers, and child care centers;
- (d) Two members of the house of representatives, one from each caucus, and two members of the senate, one from each caucus, to be appointed by the speaker of the house of representatives and the president of the senate, respectively;
- 29 (e) Two parents, one of whom serves on the department's parent 30 advisory council, to be appointed by the governor;
- 31 (f) One representative of the private-public partnership created in 32 RCW 43.215.070, to be appointed by the partnership board;
- 33 (g) One representative designated by sovereign tribal governments;
  34 and
- 35 (h) One representative from the Washington federation of 36 independent schools.
- 37 (6) The council shall be cochaired by one representative of a state

agency and one nongovernmental member, to be elected by the council for two-year terms.

- (7) The council shall appoint two members and stakeholders with expertise in early learning to sit on the technical working group created in section 2, chapter 234, Laws of 2010.
- (8) Each member of the board shall be compensated in accordance with RCW 43.03.240 and reimbursed for travel expenses incurred in carrying out the duties of the board in accordance with RCW 43.03.050 and 43.03.060.
  - (9) The department shall provide staff support to the council.
- 11 Sec. 545. RCW 43.330.280 and 2009 c 565 s 14 and 2009 c 72 s 2 are each reenacted and amended to read as follows:
  - (1) The Washington state economic development commission shall, with the advice of an innovation partnership advisory group selected by the commission:
  - (a) Provide information and advice to the department of commerce to assist in the implementation of the innovation partnership zone program, including criteria to be used in the selection of grant applicants for funding;
  - (b) Document clusters of companies throughout the state that have comparative competitive advantage or the potential for comparative competitive advantage, using the process and criteria for identifying strategic clusters developed by the working group specified in subsection (2) of this section;
  - (c) Conduct an innovation opportunity analysis to identify (i) the strongest current intellectual assets and research teams in the state focused on emerging technologies and their commercialization, and (ii) faculty and researchers that could increase their focus on commercialization of technology if provided the appropriate technical assistance and resources;
  - (d) Based on its findings and analysis, and in conjunction with the ((higher education coordinating board and)) research institutions:
  - (i) Develop a plan to build on existing, and develop new, intellectual assets and innovation research teams in the state in research areas where there is a high potential to commercialize technologies. The commission shall present the plan to the governor and legislature by December 31, 2009. ((The higher education

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coordinating board shall be responsible for implementing the plan in conjunction with)) The publicly funded research institutions in the state shall be responsible for implementing the plan. The plan shall address the following elements and such other elements as the commission deems important:

- (A) Specific mechanisms to support, enhance, or develop innovation research teams and strengthen their research and commercialization capacity in areas identified as useful to strategic clusters and innovative firms in the state;
- (B) Identification of the funding necessary for laboratory infrastructure needed to house innovation research teams;
- (C) Specification of the most promising research areas meriting enhanced resources and recruitment of significant entrepreneurial researchers to join or lead innovation research teams;
- (D) The most productive approaches to take in the recruitment, in the identified promising research areas, of a minimum of ten significant entrepreneurial researchers over the next ten years to join or lead innovation research teams;
- (E) Steps to take in solicitation of private sector support for the recruitment of entrepreneurial researchers and the commercialization activity of innovation research teams; and
- (F) Mechanisms for ensuring the location of innovation research teams in innovation partnership zones;
- (ii) Provide direction for the development of comprehensive entrepreneurial assistance programs at research institutions. The programs may involve multidisciplinary students, faculty, entrepreneurial researchers, entrepreneurs, and investors in building business models and evolving business plans around innovative ideas. The programs may provide technical assistance and the support of an entrepreneur-in-residence to innovation research teams and offer entrepreneurial training to faculty, researchers, undergraduates, and graduate students. Curriculum leading to a certificate in entrepreneurship may also be offered;
- (e) Develop performance measures to be used in evaluating the performance of innovation research teams, the implementation of the plan and programs under (d)(i) and (ii) of this subsection, and the performance of innovation partnership zone grant recipients, including but not limited to private investment measures, business initiation

- measures, job creation measures, and measures of innovation such as 1 2 licensing of ideas in research institutions, patents, or other recognized measures of innovation. The performance measures developed 3 4 shall be consistent with the economic development commission's comprehensive plan for economic development and its standards and 5 6 metrics for program evaluation. The commission shall report to the 7 legislature and the governor by June 30, 2009, on the measures 8 developed; and
- 9 (f) Using the performance measures developed, perform a biennial 10 assessment and report, the first of which shall be due December 31, 11 2012, on:
  - (i) Commercialization of technologies developed at state universities, found at other research institutions in the state, and facilitated with public assistance at existing companies;
- 15 (ii) Outcomes of the funding of innovation research teams and 16 recruitment of significant entrepreneurial researchers;
- (iii) Comparison with other states of Washington's outcomes from the innovation research teams and efforts to recruit significant entrepreneurial researchers; and
- 20 (iv) Outcomes of the grants for innovation partnership zones.

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- The report shall include recommendations for modifications of chapter 22 227, Laws of 2007 and of state commercialization efforts that would enhance the state's economic competitiveness.
  - (2) The economic development commission and the workforce training and education coordinating board shall jointly convene a working group to:
  - (a) Specify the process and criteria for identification of substate geographic concentrations of firms or employment in an industry and the industry's customers, suppliers, supporting businesses, and institutions, which process will include the use of labor market information from the employment security department and local labor markets; and
- 33 (b) Establish criteria for identifying strategic clusters which are 34 important to economic prosperity in the state, considering cluster 35 size, growth rate, and wage levels among other factors.
- 36 **Sec. 546.** RCW 43.330.310 and 2010 c 187 s 2 are each amended to read as follows:

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

- (2) The department, in consultation with the employment security department, the state workforce training and education coordinating board, the state board for community and technical colleges, and the ((higher education coordinating board)) four-year institutions of higher education as defined in RCW 28B.10.016, shall develop a defined list of terms, consistent with current workforce and economic development terms, associated with green economy industries and jobs.
- (3)(a) The employment security department, in consultation with the department, the state workforce training and education coordinating board, the state board for community and technical colleges, the ((higher education coordinating board)) four-year institutions of higher education as defined in RCW 28B.10.016, Washington State University small business development center, and the Washington State University extension energy program, shall conduct labor market research to analyze the current labor market and projected job growth in the green economy, the current and projected recruitment and skill requirement of green economy industry employers, the wage and benefits ranges of jobs within green economy industries, and the education and training requirements of entry-level and incumbent workers in those industries.
- (i) The employment security department shall conduct an analysis of occupations in the forest products industry to: (A) Determine key growth factors and employment projections in the industry; and (B) define the education and skill standards required for current and emerging green occupations in the industry.
- (ii) The term "forest products industry" must be given a broad interpretation when implementing (a)(i) of this subsection and includes, but is not limited to, businesses that grow, manage, harvest, transport, and process forest, wood, and paper products.
- (b) The University of Washington business and economic development center shall: Analyze the current opportunities for and participation in the green economy by minority and women-owned business enterprises in Washington; identify existing barriers to their successful participation in the green economy; and develop strategies with

specific policy recommendations to improve their successful participation in the green economy. The research may be informed by the research of the Puget Sound regional council prosperity partnership, as well as other entities. The University of Washington business and economic development center shall report to the appropriate committees of the house of representatives and the senate on their research, analysis, and recommendations by December 1, 2008.

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- (4) Based on the findings from subsection (3) of this section, the employment security department, in consultation with the department and taking into account the requirements and goals of chapter 14, Laws of 2008 and other state clean energy and energy efficiency policies, shall which industries will be considered high-demand industries, based on current and projected job creation and their strategic importance to the development of the state's green economy. The employment security department and the department shall take into account which jobs within green economy industries will be considered high-wage occupations and occupations that are part of career pathways to the same, based on family-sustaining wage and benefits ranges. These designations, and the results of the employment security department's broader labor market research, shall inform the planning and strategic direction of the department, the state workforce training and education coordinating board, the state board for community and technical colleges, and the ((higher education coordinating board)) four-year institutions of higher education as defined in RCW 28B.10.016.
- (5) The department shall identify emerging technologies and innovations that are likely to contribute to advancements in the green economy, including the activities in designated innovation partnership zones established in RCW 43.330.270.
- (6) The department, consistent with the priorities established by the state economic development commission, shall:
- (a) Develop targeting criteria for existing investments, and make recommendations for new or expanded financial incentives and comprehensive strategies, to recruit, retain, and expand green economy industries and small businesses; and
- (b) Make recommendations for new or expanded financial incentives and comprehensive strategies to stimulate research and development of

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green technology and innovation, including designating innovation partnership zones linked to the green economy.

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- (7) For the purposes of this section, "target populations" means (a) entry-level or incumbent workers in high-demand green industries who are in, or are preparing for, high-wage occupations; (b) dislocated workers in declining industries who may be retrained for high-wage occupations in high-demand green industries; (c) dislocated agriculture, timber, or energy sector workers who may be retrained for high-wage occupations in high-demand green industries; (d) eligible veterans or national guard members; (e) disadvantaged populations; or (f) anyone eligible to participate in the state opportunity grant program under RCW 28B.50.271.
- The legislature directs the state workforce training and education coordinating board to create and pilot green industry skill These panels shall consist of business representatives from: Green industry sectors, including but not limited to forest product companies, companies engaged in energy efficiency and renewable energy production, companies engaged in pollution prevention, reduction, and mitigation, and companies engaged in green building work and green transportation; labor unions representing workers in those industries or labor affiliates administering state-approved, joint apprenticeship programs or labor-management partnership programs that train workers for these industries; state and local veterans agencies; employer associations; educational institutions; and local workforce development councils within the region that the panels propose to operate; and other key stakeholders as determined by the applicant. Any of these stakeholder organizations are eligible to receive grants under this section and serve as the intermediary that convenes and leads the Panel applicants must provide labor market and industry analysis that demonstrates high demand, or demand of strategic importance to the development of the state's clean energy economy as identified in this section, for high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall:
- (a) Conduct labor market and industry analyses, in consultation with the employment security department, and drawing on the findings of its research when available;

- 1 (b) Plan strategies to meet the recruitment and training needs of 2 the industry and small businesses; and
  - (c) Leverage and align other public and private funding sources.
- 4 (9) The green industries jobs training account is created in the 5 state treasury. Moneys from the account must be utilized to supplement the state opportunity grant program established under RCW 28B.50.271. 6 7 All receipts from appropriations directed to the account must be 8 deposited into the account. Expenditures from the account may be used only for the activities identified in this subsection. The state board 9 for community and technical colleges, in consultation with the state 10 11 workforce training and education coordinating board, informed by the 12 research of the employment security department and the strategies developed in this section, may authorize expenditures from the account. 13 14 The state board for community and technical colleges must distribute grants from the account on a competitive basis. 15
  - (a)(i) Allowable uses of these grant funds, which should be used when other public or private funds are insufficient or unavailable, may include:
    - (A) Curriculum development;

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- (B) Transitional jobs strategies for dislocated workers in declining industries who may be retrained for high-wage occupations in green industries;
  - (C) Workforce education to target populations; and
- (D) Adult basic and remedial education as necessary linked to occupation skills training.
  - (ii) Allowable uses of these grant funds do not include student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.
  - (b) Applicants eligible to receive these grants may be any organization or a partnership of organizations that has demonstrated expertise in:
- (i) Implementing effective education and training programs that meet industry demand; and
- (ii) Recruiting and supporting, to successful completion of those training programs carried out under these grants, the target populations of workers.
  - (c) In awarding grants from the green industries jobs training

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account, the state board for community and technical colleges shall give priority to applicants that demonstrate the ability to:

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- (i) Use labor market and industry analysis developed by the employment security department and green industry skill panels in the design and delivery of the relevant education and training program, and otherwise utilize strategies developed by green industry skill panels;
- (ii) Leverage and align existing public programs and resources and private resources toward the goal of recruiting, supporting, educating, and training target populations of workers;
- 10 (iii) Work collaboratively with other relevant stakeholders in the 11 regional economy;
- 12 (iv) Link adult basic and remedial education, where necessary, with occupation skills training;
- (v) Involve employers and, where applicable, labor unions in the determination of relevant skills and competencies and, where relevant, the validation of career pathways; and
- (vi) Ensure that supportive services, where necessary, are integrated with education and training and are delivered by organizations with direct access to and experience with the targeted population of workers.
- 21 **Sec. 547.** RCW 43.330.375 and 2010 c 187 s 3 are each amended to 22 read as follows:
  - (1) The department and the workforce board must:
  - (a) Coordinate efforts across the state to ensure that federal training and education funds are captured and deployed in a focused and effective manner in order to support green economy projects and accomplish the goals of the evergreen jobs initiative;
  - (b) Accelerate and coordinate efforts by state and local organizations to identify, apply for, and secure all sources of funds, particularly those created by the 2009 American recovery and reinvestment act, and to ensure that distributions of funding to local organizations are allocated in a manner that is time-efficient and user-friendly for the local organizations. Local organizations eligible to receive support include but are not limited to:
    - (i) Associate development organizations;
  - (ii) Workforce development councils;
- 37 (iii) Public utility districts; and

1 (iv) Community action agencies;

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- 2 (c) Support green economy projects at both the state and local level by developing a process and a framework to provide, at a minimum:
  - (i) Administrative and technical assistance;
- 5 (ii) Assistance with and expediting of permit processes; and
- 6 (iii) Priority consideration of opportunities leading to exportable 7 green economy goods and services, including renewable energy 8 technology;
- 9 (d) Coordinate local and state implementation of projects using 10 federal funds to ensure implementation is time-efficient and user-11 friendly for local organizations;
- 12 (e) Emphasize through both support and outreach efforts, projects 13 that:
  - (i) Have a strong and lasting economic or environmental impact;
- 15 (ii) Lead to a domestically or internationally exportable good or service, including renewable energy technology;
- 17 (iii) Create training programs leading to a credential, 18 certificate, or degree in a green economy field;
- 19 (iv) Strengthen the state's competitiveness in a particular sector 20 or cluster of the green economy;
- (v) Create employment opportunities for veterans, members of the national guard, and low-income and disadvantaged populations;
  - (vi) Comply with prevailing wage provisions of chapter 39.12 RCW;
- (vii) Ensure at least fifteen percent of labor hours are performed by apprentices;
  - (f) Identify emerging technologies and innovations that are likely to contribute to advancements in the green economy, including the activities in designated innovation partnership zones established in RCW 43.330.270;
- 30 (g) Identify barriers to the growth of green jobs in traditional 31 industries such as the forest products industry;
- 32 (h) Identify statewide performance metrics for projects receiving 33 agency assistance. Such metrics may include:
- (i) The number of new green jobs created each year, their wage levels, and, to the extent determinable, the percentage of new green jobs filled by veterans, members of the national guard, and low-income and disadvantaged populations;

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- 1 (ii) The total amount of new federal funding secured, the 2 respective amounts allocated to the state and local levels, and the 3 timeliness of deployment of new funding by state agencies to the local 4 level;
  - (iii) The timeliness of state deployment of funds and support to local organizations; and

- (iv) If available, the completion rates, time to completion, and training-related placement rates for green economy postsecondary training programs;
- (i) Identify strategies to allocate existing and new funding streams for green economy workforce training programs and education to emphasize those leading to a credential, certificate, or degree in a green economy field;
- (j) Identify and implement strategies to allocate existing and new funding streams for workforce development councils and associate development organizations to increase their effectiveness and efficiency and increase local capacity to respond rapidly and comprehensively to opportunities to attract green jobs to local communities;
- (k) Develop targeting criteria for existing investments that are consistent with the economic development commission's economic development strategy and the goals of this section and RCW 28C.18.170, 28B.50.281, and 49.04.200; and
- (1) Make and support outreach efforts so that residents of Washington, particularly members of target populations, become aware of educational and employment opportunities identified and funded through the evergreen jobs act.
- (2) The department and the workforce board must provide semiannual performance reports to the governor and appropriate committees of the legislature on:
- 31 (a) Actual statewide performance based on the performance measures 32 identified in subsection (1)(h) of this section;
  - (b) How the state is emphasizing and supporting projects that lead to a domestically or internationally exportable good or service, including renewable energy technology;
- 36 (c) A list of projects supported, created, or funded in furtherance 37 of the goals of the evergreen jobs initiative and the actions taken by

state and local organizations, including the effectiveness of state agency support provided to local organizations as directed in subsection (1)(b) and (c) of this section;

- (d) Recommendations for new or expanded financial incentives and comprehensive strategies to:
- (i) Recruit, retain, and expand green economy industries and small businesses; and
- (ii) Stimulate research and development of green technology and innovation, which may include designating innovation partnership zones linked to the green economy;
- (e) Any information that associate development organizations and workforce development councils choose to provide to appropriate legislative committees regarding the effectiveness, timeliness, and coordination of support provided by state agencies under this section and RCW 28C.18.170, 28B.50.281, and 49.04.200; and
- (f) Any recommended statutory changes necessary to increase the effectiveness of the evergreen jobs initiative and state responsiveness to local agencies and organizations.
- 19 (3) The definitions, designations, and results of the employment 20 security department's broader labor market research under RCW 21 43.330.010 shall inform the planning and strategic direction of the 22 department, the state workforce training and education coordinating 23 board, and the state board for community and technical colleges((, and the higher education coordinating board)).
  - Sec. 548. RCW 47.80.090 and 2009 c 459 s 2 are each amended to read as follows:
    - (1) A regional transportation planning organization containing any county with a population in excess of one million in collaboration with representatives from the department of ecology, the department of ((community, trade, and economic development)) commerce, local governments, and the office of regulatory assistance must seek federal or private funding for the planning for, deployment of, or regulations concerning electric vehicle infrastructure. These efforts should include:
    - (a) Development of short-term and long-term plans outlining how state, regional, and local government construction may include electric vehicle infrastructure in publicly available off-street parking and

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government fleet vehicle parking, including what ratios of charge spots to parking may be appropriate based on location or type of facility or building;

- (b) Consultations with the state building code council and the department of labor and industries to coordinate the plans with state standards for new residential, commercial, and industrial buildings to ensure that the appropriate electric circuitry is installed to support electric vehicle infrastructure;
- (c) Consultation with the workforce development council ((and)), the ((higher)) workforce training and education coordinating board, and the state board for community and technical colleges to ensure the development of appropriate educational and training opportunities for citizens of the state in support of the transition of some portion of vehicular transportation from combustion to electric vehicles;
- (d) Development of an implementation plan for counties with a population greater than five hundred thousand with the goal of having public and private parking spaces, in the aggregate, be ten percent electric vehicle ready by December 31, 2018; and
- (e) Development of model ordinances and guidance for local governments for siting and installing electric vehicle infrastructure, in particular battery charging stations, and appropriate handling, recycling, and storage of electric vehicle batteries and equipment.
- (2) These plans and any recommendations developed as a result of the consultations required by this section must be submitted to the legislature by December 31, 2010, or as soon as reasonably practicable after the securing of any federal or private funding. Priority will be given to the activities in subsection (1)(e) of this section and any ordinances or guidance that is developed will be submitted to the legislature, the department of ((community, trade, and economic development)) commerce, and affected local governments prior to December 31, 2010, if completed.
- (3) The definitions in this subsection apply ((through [throughout])) throughout this section unless the context clearly requires otherwise.
- (a) "Battery charging station" means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries within electric vehicles, which meet or exceed any

standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

- (b) "Battery exchange station" means a fully automated facility that will enable an electric vehicle with a swappable battery to enter a drive lane and exchange the depleted battery with a fully charged battery through a fully automated process, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.
- (c) "Electric vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support an electric vehicle, including battery charging stations, rapid charging stations, and battery exchange stations.
- (d) "Rapid charging station" means an industrial grade electrical outlet that allows for faster recharging of electric vehicle batteries through higher power levels, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.
- **Sec. 549.** RCW 70.180.110 and 1998 c 245 s 120 are each amended to read as follows:
  - (1) The department, in consultation with at least the ((higher education coordinating board)) four-year institutions of higher education as defined in RCW 28B.10.016, the state board for community and technical colleges, the superintendent of public instruction, and state-supported education programs in medicine, pharmacy, and nursing, shall develop a plan for increasing rural training opportunities for students in medicine, pharmacy, and nursing. The plan shall provide for direct exposure to rural health professional practice conditions for students planning careers in medicine, pharmacy, and nursing.
- 29 (2) The department and the medical, pharmacy, and nurse education 30 programs shall:
  - (a) Inventory existing rural-based clinical experience programs, including internships, clerkships, residencies, and other training opportunities available to students pursuing degrees in nursing, pharmacy, and medicine;
- 35 (b) Identify where training opportunities do not currently exist 36 and are needed;

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- 1 (c) Develop recommendations for improving the availability of rural training opportunities;
  - (d) Develop recommendations on establishing agreements between education programs to assure that all students in medical, pharmacist, and nurse education programs in the state have access to rural training opportunities; and
- 7 (e) Review private and public funding sources to finance rural-8 based training opportunities.
- 9 <u>NEW SECTION.</u> **Sec. 550.** RCW 28B.15.796 (Effective communication—10 Task force to improve communication and teaching skills of faculty and teaching assistants) and 1991 c 228 s 4 are each repealed.
- NEW SECTION. Sec. 551. A new section is added to chapter 28B.10
  RCW to read as follows:
- Every two years the office of financial management shall produce, 14 15 jointly with the state board for community and technical colleges, the four-year institutions of higher education as defined in RCW 16 28B.10.016, and the workforce training and education coordinating 17 board, an assessment of the number and type of higher education and 18 19 training credentials required to match employer demand for a skilled and educated workforce. 20 The assessment shall include the number of forecasted net job openings at each level of higher education and 21 22 training and the number of credentials needed to match the forecast of 23 net job openings.

24 PART V

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25 MISCELLANEOUS PROVISIONS

- NEW SECTION. Sec. 601. Sections 219 through 224 of this act expire June 30, 2013.
- NEW SECTION. Sec. 602. Section 247 of this act expires January 1, 29 2012.
- NEW SECTION. Sec. 603. Section 248 of this act takes effect January 1, 2012.

- 1 <u>NEW SECTION.</u> **Sec. 604.** Section 529 of this act expires July 1,
- 2 2012.
- 3 <u>NEW SECTION.</u> **Sec. 605.** Sections 535 and 536 of this act expire
- 4 December 31, 2012.
- 5 <u>NEW SECTION.</u> **Sec. 606.** Except for section 248 of this act, this
- 6 act is necessary for the immediate preservation of the public peace,
- 7 health, or safety, or support of the state government and its existing
- 8 public institutions, and takes effect July 1, 2011.

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