SENATE BILL 5197

State of Washington 66th Legislature 2019 Regular Session

By Senators Hobbs, Zeiger, Wagoner, Short, Bailey, Hunt, Fortunato, and Keiser; by request of Military Department

Read first time 01/15/19. Referred to Committee on Higher Education & Workforce Development.

AN ACT Relating to the Washington national guard postsecondary education grant program; and amending RCW 28B.103.010, 28B.103.020, and 28B.103.030.

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

5 Sec. 1. RCW 28B.103.010 and 2006 c 71 s 1 are each amended to 6 read as follows:

7 Unless the context clearly requires otherwise, the definitions in 8 this section apply throughout this section and RCW 28B.103.020 and 9 28B.103.030.

(1) "Eligible student" means ((an enlisted)) a member ((or an 10 11 officer)) of ((the rank of captain or below in)) the Washington 12 national quard who attends an institution of higher education that is 13 located in this state and accredited by the Northwest Association of 14 and Colleges, or ((beginning September 1, 2006,)) Schools an 15 institution that is located in this state that provides approved 16 training under the Montgomery GI Bill, and who meets any additional 17 selection criteria adopted by the office and all of the following 18 participation requirements:

19 <u>(a) Has not achieved a baccalaureate or higher degree from any</u> 20 postsecondary institution;

1 (b) Is an active drilling member in good standing in the Washington national guard as specified in rules adopted by the office 2 for implementation of the Washington national guard postsecondary 3 education grant; 4 (c) Has completed and submitted an application for student aid 5 6 approved by the office; (d) Is a resident student as defined in RCW 28B.15.012; and 7 (e) Agrees to fulfill his or her service obligation. 8 (2) (("Conditional scholarship" means a loan that is forgiven in 9 whole or in part if the recipient renders service as a member of the 10 Washington national guard under rules adopted by the office. 11 (3)) "Forgiven" or "to forgive" or "forgiveness" means either to 12 render service in the Washington national guard in lieu of monetary 13 repayment, or to be relieved of the service obligation under rules 14 15 adopted by the office. 16 (3) "Grant" means the Washington national guard postsecondary education grant as established in RCW 28B.103.020. 17 (4) "Office" means the office of ((the adjutant general of the 18 19 state military department)) student financial assistance created in 20 <u>RCW 28B.76.090</u>. (5) "Participant" means an eligible student who has received a 21 22 ((conditional scholarship)) <u>Washington national guard postsecondary</u> 23 education grant under this chapter. (6) "Service obligation" means serving in the Washington national 24 25 quard for <u>a time period of at least</u> one ((additional)) year of service in the Washington national guard for each year ((of 26 27 conditional scholarship received under this program)) the student 28 receives a Washington national guard postsecondary education grant. 29 Sec. 2. RCW 28B.103.020 and 2006 c 71 s 2 are each amended to 30 read as follows: 31 Subject to amounts appropriated for this specific purpose, the 32 Washington ((state)) national guard ((conditional scholarship)) postsecondary education grant program is established. The program 33 shall be administered by the office. In administering the program, 34 the powers and duties of the office shall include, but need not be 35 limited to: 36

37 (1) <u>With the assistance of the Washington military department</u>,
38 <u>the selection of eligible students to receive ((conditional</u>)

p. 2

1 scholarships)) the Washington national guard postsecondary education

2 grant as follows:

9

<u>(a) An eligible student may receive a grant under this section to</u>
<u>help pay for postsecondary education program costs as approved by the</u>
<u>office. Awards shall be valued as follows:</u>

6 <u>(i) The difference between the student's tuition and required</u> 7 <u>fees, less the value of any federal and state funded grant,</u> 8 <u>scholarship, or waiver assistance the students receives; and</u>

(ii) Five hundred dollars for books and materials.

10 (b) The Washington military department shall ensure that data 11 needed to identify eligible recipients are promptly transmitted to 12 the office.

13 <u>(c) The annual amount of each Washington national guard</u> 14 postsecondary education grant may vary, but may not exceed the annual 15 cost of undergraduate tuition fees and services and activities fees 16 at the University of Washington, plus an allowance for books and 17 supplies.

18 (d) Washington national guard postsecondary grant eligibility may 19 not extend beyond five years or one hundred twenty-five percent of 20 the published length of the program in which the student is enrolled 21 or the credit or clock-hour equivalent;

22 (2) The award of ((conditional scholarships)) grants funded by 23 federal and state funds, private donations, or repayments from any 24 participant who does not complete the participant's service obligation((. Use of state funds is subject to available funds. The 25 annual amount of each conditional scholarship may vary, but shall not 26 27 exceed the annual cost of undergraduate tuition fees and services and 28 activities fees at the University of Washington, plus an allowance 29 for books and supplies));

30 (3) The adoption of necessary rules and ((guidelines)) policies, 31 including establishing a priority for eligible students attending an 32 institution of higher education located in this state that is 33 accredited by the Northwest Association of Schools and Colleges;

(4) The adoption of participant selection criteria. The criteria may include but need not be limited to requirements for: Satisfactory academic progress, ((minimum grade point averages,)) enrollment in courses or programs that lead to a baccalaureate degree or an associate degree or a certificate, and satisfactory participation as a member of the Washington national guard;

p. 3

(5) <u>With the assistance of the Washington military department</u>,
<u>the notification of participants of their additional service</u>
obligation or required repayment of the ((conditional scholarship))
<u>Washington national guard postsecondary education grant</u>; and

5 (6) The collection of repayments from participants who do not 6 meet the ((eligibility criteria or)) service obligations.

7 Sec. 3. RCW 28B.103.030 and 2012 c 229 s 607 are each amended to 8 read as follows:

9 (1) Participants in the ((conditional scholarship)) Washington 10 <u>national guard postsecondary education grant</u> program incur an 11 obligation to repay the ((conditional scholarship)) <u>grant</u>, with 12 interest, unless they serve in the Washington national guard for one 13 ((additional)) year for each year ((of conditional scholarship)) <u>they</u> 14 received <u>the grant</u>, under rules adopted by the office.

(2) ((The entire principal and interest of each yearly)) The office shall adopt rules addressing the terms for repayment ((shall be forgiven for each additional year in which)), including applicable interest rates, fees, and deferments, by a participant ((serves in)) who does not render service as a member of the Washington national guard((, under rules adopted by the office)) necessary to satisfy his or her service obligation.

22 (3) ((If a participant elects to repay the conditional 23 scholarship, the period of repayment shall be four years, with 24 payments accruing quarterly commencing nine months from the date that the participant leaves the Washington national guard or withdraws 25 26 from the institution of higher education, whichever comes first. The 27 interest rate on the repayments shall be eight percent per year. Provisions for deferral and forgiveness shall be determined by the 28 29 office.

30 (4))) The office is responsible for collection of repayments made 31 under this section. The office shall exercise due diligence in such collection, maintaining all necessary records to ensure that maximum 32 repayments are made. Collection and servicing of repayments under 33 this section shall be pursued using the full extent of law, including 34 wage garnishment if necessary. The office is responsible to forgive 35 all or parts of such repayments under the criteria established in 36 37 this section, and shall maintain all necessary records of forgiven 38 payments. ((The office may contract with the office of student 39 financial assistance for collection of repayments under this section.

SB 5197

p. 4

1 (5))) (4) Receipts from the payment of principal or interest paid by or on behalf of participants shall be deposited with the office 2 and shall be used to cover the costs of ((granting)) administration 3 of the ((conditional scholarships)) grant, maintaining necessary 4 records, and making collections under subsection (((4))) (3) of this 5 6 section. The office shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be 7 used to <u>make</u> grant ((conditional scholarships)) <u>awards</u> to eligible 8 students. 9

--- END ---