



PROPOSED RULE MAKING

CR-102 (December 2017) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: November 06, 2018

TIME: 4:35 PM

WSR 18-22-121

Agency: Washington Student Achievement Council

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 18-12-096 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____ ; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 250-61 Degree Granting Institutions Act rules.

Hearing location(s):

Date:

Time:

Location: (be specific)

Comment:

December 14, 2018

9:00 a.m.

Washington Student Achievement Council,
917 Lakeridge Way SW, Olympia,
WA 98502

Third Floor Conference Room

Date of intended adoption: December 21, 2018 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name: Sam Loftin, Director of Consumer Protection

Address: P.O. Box 43430, Olympia, WA 98504-3430

Email: degreeauthorization@wsac.wa.gov

Fax: (855) 265-0066

Other:

By (date) December 13, 2018

Assistance for persons with disabilities:

Contact Kristin Ritter

Phone: (360) 753-7810

Fax: (855) 265-0066

TTY: unavailable

Email: kristinr@wsac.wa.gov

Other:

By (date) December 7, 2018

Purpose of the proposal and its anticipated effects, including any changes in existing rules: To implement provisions of ESSHB 1439, an act relating to regulating the institutions of higher education, and to strengthen consumer protections of degree-granting schools operating under the requirements of the Degree-Granting Institutions Act, Chapter 28B.85 RCW.

- Clarifies definitions of "adverse action" and "operate" and adds a definition for "oversight entity"
- Expands criteria for administrators of degree-granting institutions
- Amends guidelines for distance learning programs to create consistent standards for all institutions

- Adds a requirement that institutions may not benefit from student loan products offered to students, pursuant to ESSHB 1439, and must disclose to the council student loan products marketed or provided to students
- Clarifies that the council may conduct a site visit at any time
- Adds NEW SECTION for publications that prohibits institutions from publishing data or recruitment materials inconsistent with specified sources, pursuant to ESSHB 1439, and that requires disclosure of recruitment materials to the council
- Amends the security requirement for institutions seeking initial standard authorization as a result of a change in ownership so that students receive the same level of protection as if no change of ownership had occurred
- Adds NEW SECTION for disclosures requiring institutions to disclose to the council any adverse action against the institution and any changes affecting authorization, as well as disclosures to students regarding the availability of the student complaint portal and the student loan advocate
- Adds a requirement for institutions discontinuing a program or all operations in Washington to provide alternative opportunities for program completion acceptable to the council
- Adds a requirement for institutions discontinuing all operations in Washington to submit to the council an account ledger for each student and to provide a transcript to each student currently enrolled or enrolled in the preceding term
- Amends the fees for initial authorization and renewal of authorization based on the number of programs offered
- Adds a late fee for renewal applications received after the specified application deadline
- Clarifies that authorization may be suspended or withdrawn for violation of applicable law

Reasons supporting proposal: Implements elements of ESSHB 1439; adds or clarifies requirements for nonexempt degree-granting institutions and private vocational schools.

Statutory authority for adoption: RCW 28B.76.120 and RCW 28B.85.020

Statute being implemented: RCW 28B.85

Is rule necessary because of a:

- | | | |
|-------------------------|------------------------------|--|
| Federal Law? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: None

Name of proponent: (person or organization) Washington Student Achievement Council

<input type="checkbox"/> Private
<input type="checkbox"/> Public
<input checked="" type="checkbox"/> Governmental

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting:	Sam Loftin	917 Lakeridge Way SW, Olympia, WA 98502	(360) 753-7866
Implementation:	Sam Loftin	917 Lakeridge Way SW, Olympia, WA 98502	(360) 753-7866
Enforcement:	Sam Loftin	917 Lakeridge Way SW, Olympia, WA 98502	(360) 753-7866

Is a school district fiscal impact statement required under RCW 28A.305.135? Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:

Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under RCW 34.05.328?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

No: Please explain: The primary impact will be on existing in-state and out-of-state degree-granting institutions.

Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input checked="" type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

This rule proposal, or portions of the proposal, is exempt under RCW ____.

Explanation of exemptions, if necessary: The fee adjustments are necessary to approximately recover the staffing costs incurred in administering the statute, pursuant to RCW 28B.85.060.

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

No Briefly summarize the agency's analysis showing how costs were calculated. _____

Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:


Name:
Address:
Phone:
Fax:
TTY:

Email:
Other:

Date: November 6, 2018

Signature:

Name: Don Bennett

A handwritten signature in black ink that reads "Don Bennett". The signature is written in a cursive style with a long horizontal stroke at the end.

Title: Deputy Director, Washington Student Achievement Council