

EMERGENCY RULES

State Need Grant, State Work Study, Promise Scholarship

June 2002

BACKGROUND

Legislation adopted during the 2002 Legislative Session requires that the Washington Administrative Code (WAC) for the State Need Grant, State Work Study, and Promise Scholarship programs be amended. At its June 11 meeting, the Board will be asked to adopt emergency rules so that the statutory amendments can be implemented for the 2002-2003 academic year.

Following is a summary of the changes needed to comply with those adopted by the Legislature.

STATE NEED GRANT

Substitute Senate Bill 5166 expands the definition of “institutions of higher education” to include branches of out-of-state institutions that meet the following criteria:

- The parent institution must be a member institution of an accrediting association recognized by rule of the Board;
- It must be eligible to participate in federal financial aid programs;
- The institution must have operated as a nonprofit college or university delivering on-site classroom instruction in Washington for a minimum of 20 years;
- It must have an annual enrollment of at least 700 full-time-equivalent students; and
- Like all other institutions, it must agree to, and comply with, all program rules and regulations.

It appears that only one institution, Antioch University – Seattle, currently meets the amended statutory requirements. The North Central Association of Colleges and Schools has accredited Antioch.

State Need Grant rules currently recognize one of the six regional accrediting associations (the Northwest Association of Schools and Colleges), and all of the specialized associations that accredit career colleges in Washington. To extend State Need Grant eligibility to students attending Antioch – Seattle, the agency must modify its rules to recognize the North Central Association of Colleges and Schools.

However, because institutions accredited by other regional associations may become eligible in the future to participate in the State Need Grant program, staff propose that the State Need Grant rules be amended to recognize all six regional accrediting associations. There is little to distinguish one regional association from another, and referencing each in the rules eliminates the need to make future amendments on a case-by-case basis.

STATE WORK STUDY

Substitute Senate Bill 5166 also amends “eligible institution” for purposes of the State Work Study program. The amendatory language is essentially the same as in the revision to the State Need Grant statute, except that it does not specify that institutions qualifying under this amendment must enroll a minimum of 700 full-time-equivalent students to participate in the State Work Study program.

For the reasons cited above, staff propose that the State Work Study rules be amended to recognize each of the six regional accrediting associations.

PROMISE SCHOLARSHIP PROGRAM

Prior to the 2002 Legislative Session, language authorizing the Promise Scholarship program had been included in the 1999-01 and 2001-03 biennial budget bills, but the program had not been created in statute. The HECB adopted administrative rules implementing program provisions as specified in the budget bills.

House Bill 2807, enacted by the 2002 Legislature, established the Promise Scholarship program in statute and modified some program features. Staff propose the following changes to bring the Promise Scholarship rules into compliance with the new statute:

- **Academic Eligibility Criteria.** Program rules should be amended to indicate that, to be considered for a Promise Scholarship, an otherwise eligible student must have:
 - Graduated from a public or private high school in Washington in the top 15 percent of his or her graduating class;
 - Attained a cumulative score of 1,200 or better on the Scholastic Achievement Test I (SAT I) on the first attempt; or
 - Attained a cumulative score of 27 or better on the American College Test (ACT) on the first attempt.
- **Eligible Institutions.** Staff propose amending the rules to address two issues:
 - HB 2807 authorizes use of the scholarship by recipients attending Oregon institutions that are part of the border county higher education opportunity project when those institutions offer programs not available at accredited institutions of higher education in Washington.
 - The border county legislation does not identify institutions that are eligible for that project. However, it does list counties in Oregon whose residents may attend college in Washington at reduced tuition rates. Staff have contacted policymakers to confirm that the intent of HB 2807 is to allow Promise Scholarship recipients to use the award at accredited colleges, universities and career schools in the Oregon counties that border Washington and whose residents are eligible for the border county tuition discount. The proposed rules will list those counties.

- Staff have contacted policymakers to confirm the following approach will be used to determine whether a program is not offered in Washington:
 - Students who wish to use their Promise Scholarships to attend college in Oregon will be required to make an application to the HECB for this purpose. These applications will be judged on a case-by-case basis, and students will have the opportunity to appeal the administrative decisions to the executive director of the HECB.
 - A program offered by an Oregon institution located in a county that borders Washington will be deemed to be “not available” if such a program is not offered by any accredited higher education institution in Washington.
- For consistency with the State Need Grant and State Work Study programs, staff propose that Promise Scholarship rules be amended to recognize all six regional accrediting associations.
- **Standard for Satisfactory Progress.** SHB 2807 allows the Higher Education Coordinating Board to establish satisfactory progress standards for scholarship renewal. Staff propose that Promise Scholarship rules require recipients to be in good standing at the institution they attend, in order to renew their scholarships.

Proposed amendatory language for the State Need Grant and State Work Study programs is attached. Proposed revisions to Promise Scholarship program regulations will be drafted following guidance from policymakers on the issues noted above. Proposed language will be sent to Board members and posted on the agency’s Website prior to the June 11 meeting.

PROPOSED RULEMAKING PROCESS

Staff will file the required forms with the State Code Reviser’s office to authorize adoption of emergency rules after the Board’s approval and to begin the process to adopt permanent rules at the Board’s September meeting.

Adoption of the proposed emergency rules, which are effective for up to 120 days, will authorize immediate implementation of statutory changes. In the case of the State Need Grant and State Work Study programs, adopting emergency rules will authorize staff to determine which institutions are eligible and allow newly eligible institutions to apply to participate in the program(s), and to make awards to their students for the upcoming academic year.

Adopting emergency rules will allow Promise Scholarships to be awarded to students who meet the expanded eligibility criteria, as awards are processed this summer. As a result, scholarship recipients and college administrators can take the award into account in planning financial resources for the new academic year.

The Board will be asked to adopt permanent rules at its meeting in September. Before that meeting, the public will be invited to comment on the proposed permanent rules, in writing, and at a formal hearing convened to solicit public comment on the proposed rules.

Chapter 250-80 WAC
WASHINGTON PROMISE SCHOLARSHIP RULES

WAC 250-80-010 Purpose.

The Washington promise scholarship program recognizes and encourages the aspiration for superior academic achievement of high school students who attend and graduate from Washington high schools. The program offers a two-year scholarship for eligible students that may be used at any accredited institution within the borders of the state. The scholarship may also be used at certain Oregon institutions offering programs not offered in Washington.

[Statutory Authority: Chapter 28B.80 RCW and 1999 c 309 § 611(6). 00-08-082, § 250-80-010, filed 4/4/00, effective 5/5/00.]

WAC 250-80-020 Definitions. (1) "Board" means the higher education coordinating board.

(2) "OSPI" means the office of the superintendent of public instruction.

(3) "High school" means a secondary institution in Washington state identified by the office of the superintendent of public instruction as qualified to confer high school diplomas to a graduating senior class.

(4) "Parent(s)" mean the biological or adoptive parent of the student applicant and the spouse of a biological or adoptive parent. In cases of divorce or separation the parent for purposes of reporting income and family size is the biological or adoptive parent who provided more than one-half of the applicant's support in the previous twelve months. The term parent does not include either foster parents or legal guardians.

(5) "Family size" is the number of people for whom the applicant's parent(s) provided more than one-half of the support in the previous twelve months.

(6) "Income," in most cases means the applicant parent's adjusted gross income (AGI) as reported on the previous calendar year's federal tax return. For the independent student, income means the student's adjusted gross income as reported on the previous calendar year's federal tax return.

(7) "Independent student" means a student whose biological parents are both deceased and there is no adoptive parent, or the student is a "ward of the court," or the student has been legally emancipated by court order. The board may also recognize a student as independent due to exceptional circumstances as recognized by the appeal committee.

(8) "Appeals committee" means a committee convened by the board to review petitions and requests by students for consideration of individual exceptional circumstances.

(9) "Median family income (MFI)" means the median income for the state of Washington, by family size, as compiled by the federal Bureau of the Census and reported annually in the Federal Register.

(10) "Income cutoff" means one hundred thirty-five percent of the median family income.

(11) "Academic year" means the fall, winter, and spring quarters or the fall and spring semesters between July 1st and June 30th.

- (12) "Eligible student" means a person who:
- (a) Graduates from a public or private high school located in the state of Washington; and
 - ~~(b) (Is in the top ten percent of his or her 1999 graduating class; or~~
 - ~~(c) (Is in the top fifteen percent of his or her (2000) graduating class; or~~
 - (c) Attained a cumulative score of 1200 or better on the Scholastic Assessment Test I (SATI) on the first attempt; or
 - (d) Attained a cumulative score of 27 or better on the American College Test (ACT) on the first attempt; and
 - ~~(e) Has a family income less than one hundred thirty-five percent of the state's median; and~~
 - ~~(f) Enrolls at least half time in an eligible postsecondary institution in the state of Washington; and~~
 - ~~(g) Is not pursuing a degree in theology.~~
- (13) "Eligible postsecondary institution" means:
- (a) A public institution authorized by the Washington legislature and receiving operating support through the state general fund; or
 - (b) A postsecondary institution, whose campus or branch campus is physically located in the state of Washington, and who is accredited by a nationally recognized accrediting body. The recognized accrediting bodies are:
 - (i) The Northwest Association of Schools and Colleges or a similar regional accrediting body as determined by the board;
 - (ii) The Accrediting Bureau of Health Education Schools;
 - (iii) The Accrediting Council for Continuing Education and Training;
 - (iv) The Accrediting Commission of Career Schools and Colleges of Technology;
 - (v) The Accrediting Council for Independent Colleges and Schools;
 - ~~(vi) The National Accrediting Commission of Cosmetology Arts and Sciences; (and)~~
 - vii. The Middle States Association of Colleges and Schools, Commission on Higher Education;
 - viii. The New England Association of Schools and Colleges;
 - ix. The North Central Association of Colleges and Schools;
 - x. The Southern Association of Colleges and Schools;
 - xi. The Western Association of Schools and Colleges; or
 - (c) An accredited Oregon postsecondary institution that offers a program not offered in Washington and is located in either Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco or Washington county. The institution must be accredited by one of the accrediting bodies listed above. And,
 - (d) Agrees to administer the program in accordance with the applicable rules and program guidelines.
- (14) "Authorized use period" means the period of time the eligible student has to complete using his or her scholarship. The board will determine the authorized use period for each class of graduating high school seniors.

WAC 250-80-060 Grant disbursement. (1) Eligible students must enroll on at least a half-time status and be in good academic standing with the institution in order to receive a scholarship disbursement.

(2) Grants to students will be disbursed in equal payments, once per term, across the three quarter or two semester academic year.

(3) State of Washington public colleges and universities may request payment for funds up to the limit of the per term award for each enrolled eligible student. The state public college or university may apply the proceeds of the scholarship to any outstanding debt owed by the student to the institution. The institution must disburse any remainder directly to the eligible student.

(4) Nonstate institutions may request that checks be written to eligible students attending their schools. The board will write individual warrants payable to each eligible student and delivered to the school for disbursement.

(5) The independent university and the private vocational school must disburse the warrant once the student's half-time or greater enrollment has been verified. The school may not withhold or delay disbursement for any reason other than for less than half-time enrollment. The school has thirty days to either disburse the warrant or return it to the board.

[Statutory Authority: Chapter 28B.80 RCW and 1999 c 309 § 611(6). 00-08-082, § 250-80-060, filed 4/4/00, effective 5/5/00.]

RESOLUTION NO. 02-16

WHEREAS, The Higher Education Coordinating Board is directed by RCW 28B.10 to administer the State Need Grant Program; and

WHEREAS, The Higher Education Coordinating Board is authorized by RCW 28B.80 to adopt rules as necessary to implement the program; and

WHEREAS, Substitute Senate Bill 5166 adopted by the 2002 Legislature expands the definition of "institutions of higher education" to include branches of out-of-state institutions that meet specified criteria and that are members of accrediting associations recognized by rule of the Board; and

WHEREAS, State Need Grant rules do not currently recognize five of the six regional associations that accredit institutions which may potentially be eligible to participate in the State Need Grant program; and

WHEREAS, It is necessary to amend Chapter 250-20 WAC to implement this statutory change; and

WHEREAS, It is the Board's intention that students attending institutions incorporated into the State Need Grant program as a result of this change be eligible for grants for the 2002-2003 academic year;

THEREFORE, BE IT RESOLVED, That the Board adopt emergency rules recognizing all six regional accrediting associations for purposes of establishing potential institutional eligibility to participate in the State Need Grant program.

BE IT FURTHER RESOLVED, That the Higher Education Coordinating Board directs staff to initiate the process required to adopt permanent rules at the Board's September 2002 meeting.

Adopted:

June 11, 2002

Attest:

Bob Craves, Chair

Pat Stanford, Secretary

RESOLUTION NO. 02-17

WHEREAS, The Higher Education Coordinating Board is directed by RCW 28B.12 to administer the State Work Study Program; and

WHEREAS, The Higher Education Coordinating Board is authorized by RCW 28B.80 to adopt rules as necessary to implement the program; and

WHEREAS, Substitute Senate Bill 5166 adopted by the 2002 Legislature expands the definition of "institutions of higher education" to include branches of out-of-state institutions that meet specified criteria and that are members of accrediting associations recognized by rule of the Board; and

WHEREAS, State Work Study rules do not currently recognize five of the six regional associations that accredit institutions which may potentially be eligible to participate in the State Work Study program; and

WHEREAS, It is necessary to amend Chapter 250-40 WAC to implement this statutory change; and

WHEREAS, It is the Board's intention that students attending institutions incorporated into the State Work Study program as a result of this change be eligible for work study for the 2002-2003 academic year;

THEREFORE, BE IT RESOLVED, That the Board adopt emergency rules recognizing all six regional accrediting associations for purposes of establishing potential institutional eligibility to participate in the State Work Study program.

BE IT FURTHER RESOLVED, That the Higher Education Coordinating Board directs staff to initiate the process required to adopt permanent rules at the Board's September 2002 meeting.

Adopted:

June 11, 2002

Attest:

Bob Craves, Chair

Pat Stanford, Secretary

RESOLUTION NO. 02-18

WHEREAS, The Higher Education Coordinating Board is directed by House Bill 2807 to administer the Washington Promise Scholarship Program and to adopt rules as necessary to implement the program; and

WHEREAS, Prior to the 2002 Legislative Session, language authorizing the Promise Scholarship program had been included in the 1999-01 and 2001-03 biennial budget bills; and

WHEREAS, House Bill 2807 established the Washington Promise Scholarship program in statute and modified some features of the program; and

WHEREAS, It is necessary to amend Chapter 250-80 WAC to bring the Promise Scholarship program into compliance with the new statute by including reference to expanded academic eligibility criteria, use of the scholarship at certain Oregon institutions providing programs not offered in Washington, recognition of all six regional accrediting associations, and the satisfactory progress requirement for scholarship renewal; and

WHEREAS, It is the Board's intention that the expanded eligibility criteria be used to determine awards for the 2002-2003 academic year;

THEREFORE, BE IT RESOLVED, That the Board adopt emergency rules implementing these changes.

BE IT FURTHER RESOLVED, That the Higher Education Coordinating Board directs the staff to initiate the process required to adopt permanent rules at the Board's September 2002 meeting.

Adopted:

June 11, 2002

Attest:

Bob Craves, Chair

Pat Stanford, Secretary