
SECOND SUBSTITUTE HOUSE BILL 1546

State of Washington

64th Legislature

2015 Regular Session

By House Appropriations (originally sponsored by Representatives Reykdal, Pollet, Springer, Bergquist, S. Hunt, Lytton, Tarleton, Wylie, and McBride; by request of Office of Financial Management)

READ FIRST TIME 02/27/15.

1 AN ACT Relating to dual credit opportunities provided by
2 Washington state's public institutions of higher education; amending
3 RCW 28A.600.290, 28A.600.310, 28A.600.320, and 28A.300.118; and
4 reenacting and amending RCW 28B.95.020 and 28B.95.030.

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

6 NEW SECTION. **Sec. 1.** The legislature intends to provide
7 students with more dual credit opportunities and financial aid to
8 low-income students to increase their participation in dual credit
9 opportunities. It further intends to provide seniors with a
10 meaningful senior year, to provide incentives to participate in the
11 smarter balanced practice and training assessments, and to clarify
12 both running start and college in the high school.

13 **Sec. 2.** RCW 28A.600.290 and 2012 c 229 s 801 are each amended to
14 read as follows:

15 (1) The superintendent of public instruction, the state board for
16 community and technical colleges, the student achievement council,
17 and the public baccalaureate institutions shall jointly develop and
18 each adopt rules governing the college in the high school program.
19 The association of Washington school principals shall be consulted
20 during the rules development. (~~The rules shall be written to~~

1 ~~encourage the maximum use of the program and may not narrow or limit~~
2 ~~the enrollment options.))~~ Rules for the program shall be updated by
3 December 1, 2015. The update shall address course requirements so
4 that courses offered through the college in the high school program
5 meet the standards for transferable college credit for the purposes
6 of meeting general education requirements or degree requirements at
7 institutions of higher education.

8 (2) College in the high school programs shall each be governed by
9 a local contract between the district and the institution of higher
10 education, in compliance with the ~~((guidelines))~~ rules adopted ~~((by~~
11 ~~the superintendent of public instruction, the state board for~~
12 ~~community and technical colleges, and the public baccalaureate~~
13 ~~institutions))~~ under subsection (1) of this section.

14 (3) The college in the high school program must include the
15 provisions in this subsection.

16 (a) The high school and institution of higher education together
17 shall define the criteria for student eligibility. The institution of
18 higher education may charge tuition fees ~~((to participating))~~ per
19 enrolled student((s)) on a per credit basis as provided in subsection
20 (5) of this section. If specific funding is provided in the omnibus
21 appropriations act for per credit subsidies under subsection (5)(b)
22 of this section, the maximum per credit fee charged to any enrolled
23 student may not exceed the amount of the per credit subsidy.

24 (b) School districts shall report no student for more than one
25 full-time equivalent including college in the high school courses.

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

29 (d) Enrollment information on persons registered under this
30 section must be maintained by the institution of higher education
31 separately from other enrollment information and may not be included
32 in official enrollment reports, nor may such persons be considered in
33 any enrollment statistics that would affect higher education
34 budgetary determinations.

35 (e) A school district must grant high school credit to a student
36 enrolled in a program course if the student successfully completes
37 the course. ~~((If no comparable course is offered by the school~~
38 ~~district, the school district superintendent shall determine how many~~
39 ~~credits to award for the course.))~~ The determination of the number of
40 high school credits shall be made in writing before the student

1 enrolls in the course. The credits shall be applied toward graduation
2 requirements and subject area requirements. Evidence of successful
3 completion of each program course shall be included in the student's
4 secondary school records and transcript.

5 (f) ~~((An))~~ The participating institution of higher education must
6 grant college credit to a student enrolled in a program course if the
7 student successfully completes the course. The college credit shall
8 be applied toward general education requirements or ~~((major))~~ degree
9 ~~requirements. ((If no comparable course is offered by the college,~~
10 ~~the institution of higher education at which the teacher of the~~
11 ~~program course is employed shall determine how many credits to award~~
12 ~~for the course and whether the course fulfills general education or~~
13 ~~major requirements.))~~ Evidence of successful completion of each
14 program course must be included in the student's college transcript.

15 (g) Tenth, eleventh, and twelfth grade students or students who
16 have not yet received a high school diploma or its equivalent and are
17 eligible to be in the tenth, eleventh, or twelfth grades may
18 participate in the college in the high school program.

19 (h) Participating school districts must provide general
20 information about the college in the high school program to all
21 students in grades ~~((ten, eleven, and))~~ eight through twelve and to
22 the parents and guardians of those students.

23 (i) Full-time and part-time faculty at institutions of higher
24 education, including adjunct faculty, are eligible to teach program
25 courses.

26 (4) The definitions in this subsection apply throughout this
27 section.

28 (a) "Institution of higher education" has the meaning in RCW
29 28B.10.016 and also includes a public tribal college located in
30 Washington and accredited by the Northwest commission on colleges and
31 universities or another accrediting association recognized by the
32 United States department of education.

33 (b) "Program course" means a college course offered in a high
34 school under the college in the high school program by an institution
35 of higher education. To be considered a "program course" a comparable
36 course must be offered for college credit to matriculated students at
37 the institution and the course must satisfy a general education
38 requirement or degree requirement.

39 (c) "Eligible students," for purposes of a per credit subsidy,
40 are those students who are enrolled by the first day of the program

1 course and who have been deemed eligible for free or reduced-price
2 lunch at least once in the last five years.

3 (5)(a) A district or a student may pay the tuition fees charged
4 under subsection (3) of this section.

5 (b)(i) Subject to appropriation, a per credit subsidy shall be
6 provided for eligible students in participating districts. The per
7 credit subsidy must be a minimum of sixty-five dollars per quarter
8 credit in the 2015-16 school year, after which the per credit subsidy
9 must be adjusted annually for inflation. The maximum annual number of
10 subsidized credits shall be specified in the omnibus appropriations
11 act, which must not exceed ten credits.

12 (ii) Districts wishing to participate in the subsidy program must
13 annually apply to the office of the superintendent of public
14 instruction by July 1st of each year and report the preliminary
15 estimate of eligible students to receive the subsidy and the total
16 number of projected credit hours.

17 (iii) The office of the superintendent of public instruction
18 shall notify districts by September 1st of each school year if the
19 district's students will receive the subsidy. If more districts apply
20 than funding is available, the office of the superintendent of public
21 instruction shall prioritize the district applications. The
22 superintendent shall develop factors to determine priority including,
23 but not limited to, the number dual credit opportunities available
24 for low-income students in the districts.

25 (iv) Districts shall remit any subsidies on behalf of the
26 students to the participating institution of higher education and
27 those students shall not be required to pay for the subsidized
28 credits.

29 (c) Districts are encouraged to pay the costs for students not
30 eligible for the per credit subsidy.

31 (d) Students may pay college in the high school fees with
32 advanced college tuition payment program tuition units at a rate set
33 by the advanced college tuition payment program governing body under
34 chapter 28B.95 RCW.

35 **Sec. 3.** RCW 28A.600.310 and 2012 c 229 s 702 are each amended to
36 read as follows:

37 (1)(a) Eleventh and twelfth grade students or students who have
38 not yet received the credits required for the award of a high school
39 diploma and are eligible to be in the eleventh or twelfth grades may

1 apply to a participating institution of higher education to enroll in
2 courses or programs offered by the institution of higher education. A
3 student receiving home-based instruction enrolling in a public high
4 school for the sole purpose of participating in courses or programs
5 offered by institutions of higher education shall not be counted by
6 the school district in any required state or federal accountability
7 reporting if the student's parents or guardians filed a declaration
8 of intent to provide home-based instruction and the student received
9 home-based instruction during the school year before the school year
10 in which the student intends to participate in courses or programs
11 offered by the institution of higher education. Students receiving
12 home-based instruction under chapter 28A.200 RCW and students
13 attending private schools approved under chapter 28A.195 RCW shall
14 not be required to meet the student learning goals, obtain a
15 certificate of academic achievement or a certificate of individual
16 achievement to graduate from high school, or to master the essential
17 academic learning requirements. However, students are eligible to
18 enroll in courses or programs in participating universities only if
19 the board of directors of the student's school district has decided
20 to participate in the program. Participating institutions of higher
21 education, in consultation with school districts, may establish
22 admission standards for these students. If the institution of higher
23 education accepts a secondary school pupil for enrollment under this
24 section, the institution of higher education shall send written
25 notice to the pupil and the pupil's school district within ten days
26 of acceptance. The notice shall indicate the course and hours of
27 enrollment for that pupil.

28 (b) Beginning September 1, 2015, all course sections and programs
29 offered through running start must be open for registration to
30 matriculated students at the participating institution of higher
31 education and may not be offered at high schools consisting solely of
32 high school students.

33 (2)(a) In lieu of tuition and fees, as defined in RCW 28B.15.020
34 and 28B.15.041:

35 (i) Running start students shall pay to the community or
36 technical college all other mandatory fees as established by each
37 community or technical college and, in addition, the state board for
38 community and technical colleges may authorize a fee of up to ten
39 percent of tuition and fees as defined in RCW 28B.15.020 and
40 28B.15.041; and

1 (ii) All other institutions of higher education operating a
2 running start program may charge running start students a fee of up
3 to ten percent of tuition and fees as defined in RCW 28B.15.020 and
4 28B.15.041 in addition to technology fees.

5 (b) The fees charged under this subsection (2) shall be prorated
6 based on credit load.

7 (c) Students may pay fees under this subsection with advanced
8 college tuition payment program tuition units at a rate set by the
9 advanced college tuition payment program governing body under chapter
10 28B.95 RCW.

11 (3)(a) The institutions of higher education must make available
12 fee waivers for low-income running start students. Each institution
13 must establish a written policy for the determination of low-income
14 students before offering the fee waiver. A student shall be
15 considered low income and eligible for a fee waiver upon proof that
16 the student is currently qualified to receive free or reduced-price
17 lunch. Acceptable documentation of low-income status (~~may also~~)
18 includes, but is not limited to, documentation that a student has
19 been deemed eligible for free or reduced-price lunches at least once
20 in the last five years, or other criteria established in the
21 institution's policy.

22 (b) Institutions of higher education, in collaboration with
23 relevant student associations, shall aim to have students who can
24 benefit from fee waivers take advantage of these waivers.
25 Institutions shall make every effort to communicate to students and
26 their families the benefits of the waivers and provide assistance to
27 students and their families on how to apply. Information about
28 waivers shall, to the greatest extent possible, be incorporated into
29 financial aid counseling, admission information, and individual
30 billing statements. Institutions also shall, to the greatest extent
31 possible, use all means of communication, including but not limited
32 to web sites, online catalogues, admission and registration forms,
33 mass email messaging, social media, and outside marketing to ensure
34 that information about waivers is visible, compelling, and reaches
35 the maximum number of students and families that can benefit.

36 (4) The pupil's school district shall transmit to the institution
37 of higher education an amount per each full-time equivalent college
38 student at statewide uniform rates for vocational and nonvocational
39 students. The superintendent of public instruction shall separately
40 calculate and allocate moneys appropriated for basic education under

1 RCW 28A.150.260 to school districts for purposes of making such
2 payments and for granting school districts seven percent thereof to
3 offset program related costs. The calculations and allocations shall
4 be based upon the estimated statewide annual average per full-time
5 equivalent high school student allocations under RCW 28A.150.260,
6 excluding small high school enhancements, and applicable rules
7 adopted under chapter 34.05 RCW. The superintendent of public
8 instruction, participating institutions of higher education, and the
9 state board for community and technical colleges shall consult on the
10 calculation and distribution of the funds. The funds received by the
11 institution of higher education from the school district shall not be
12 deemed tuition or operating fees and may be retained by the
13 institution of higher education. A student enrolled under this
14 subsection shall be counted for the purpose of meeting enrollment
15 targets in accordance with terms and conditions specified in the
16 omnibus appropriations act.

17 ~~((5) The state board for community and technical colleges, in
18 collaboration with the other institutions of higher education that
19 participate in the running start program and the office of the
20 superintendent of public instruction, shall identify, assess, and
21 report on alternatives for providing ongoing and adequate financial
22 support for the program. Such alternatives shall include but are not
23 limited to student tuition, increased support from local school
24 districts, and reallocation of existing state financial support among
25 the community and technical college system to account for
26 differential running start enrollment levels and impacts. The state
27 board for community and technical colleges shall report the
28 assessment of alternatives to the governor and to the appropriate
29 fiscal and policy committees of the legislature by September 1,
30 2010.))~~

31 **Sec. 4.** RCW 28B.95.020 and 2012 c 229 s 606 are each reenacted
32 and amended to read as follows:

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

35 (1) "Academic year" means the regular nine-month, three-quarter,
36 or two-semester period annually occurring between August 1st and July
37 31st.

38 (2) "Account" means the Washington advanced college tuition
39 payment program account established for the deposit of all money

1 received by the office from eligible purchasers and interest earnings
2 on investments of funds in the account, as well as for all
3 expenditures on behalf of eligible beneficiaries for the redemption
4 of tuition units and for the development of any authorized college
5 savings program pursuant to RCW 28B.95.150.

6 (3) "Committee on advanced tuition payment" or "committee" means
7 a committee of the following members: The state treasurer, the
8 director of the office of financial management, the director of the
9 office, or their designees, and two members to be appointed by the
10 governor, one representing program participants and one private
11 business representative with marketing, public relations, or
12 financial expertise.

13 (4) "Contractual obligation" means a legally binding contract of
14 the state with the purchaser and the beneficiary establishing that
15 purchases of tuition units will be worth the same number of tuition
16 units at the time of redemption as they were worth at the time of the
17 purchase.

18 (5) "Dual credit fees" means any fees charged to a student for
19 participation in college in the high school under RCW 28A.600.290, or
20 running start under RCW 28A.600.310.

21 (6) "Eligible beneficiary" means the person for whom the tuition
22 unit will be redeemed for attendance at an institution of higher
23 education, participation in college in the high school under RCW
24 28A.600.290, or participation in running start, under RCW
25 28A.600.310. The beneficiary is that person named by the purchaser at
26 the time that a tuition unit contract is accepted by the governing
27 body. Qualified organizations, as allowed under section 529 of the
28 federal internal revenue code, purchasing tuition unit contracts as
29 future scholarships need not designate a beneficiary at the time of
30 purchase.

31 ((+6)) (7) "Eligible purchaser" means an individual or
32 organization that has entered into a tuition unit contract with the
33 governing body for the purchase of tuition units for an eligible
34 beneficiary. The state of Washington may be an eligible purchaser for
35 purposes of purchasing tuition units to be held for granting
36 Washington college bound scholarships.

37 ((+7)) (8) "Full-time tuition charges" means resident tuition
38 charges at a state institution of higher education for enrollments
39 between ten credits and eighteen credit hours per academic term.

1 ~~((8))~~ (9) "Governing body" means the committee empowered by the
2 legislature to administer the Washington advanced college tuition
3 payment program.

4 ~~((9))~~ (10) "Institution of higher education" means an
5 institution that offers education beyond the secondary level and is
6 recognized by the internal revenue service under chapter 529 of the
7 internal revenue code.

8 ~~((10))~~ (11) "Investment board" means the state investment board
9 as defined in chapter 43.33A RCW.

10 ~~((11))~~ (12) "Office" means the office of student financial
11 assistance as defined in chapter 28B.76 RCW.

12 ~~((12))~~ (13) "State institution of higher education" means
13 institutions of higher education as defined in RCW 28B.10.016.

14 ~~((13))~~ (14) "Tuition and fees" means undergraduate tuition and
15 services and activities fees as defined in RCW 28B.15.020 and
16 28B.15.041 rounded to the nearest whole dollar. For purposes of this
17 chapter, services and activities fees do not include fees charged for
18 the payment of bonds heretofore or hereafter issued for, or other
19 indebtedness incurred to pay, all or part of the cost of acquiring,
20 constructing, or installing any lands, buildings, or facilities.

21 ~~((14))~~ (15) "Tuition unit contract" means a contract between an
22 eligible purchaser and the governing body, or a successor agency
23 appointed for administration of this chapter, for the purchase of
24 tuition units for a specified beneficiary that may be redeemed at a
25 later date for an equal number of tuition units.

26 ~~((15))~~ (16) "Unit purchase price" means the minimum cost to
27 purchase one tuition unit for an eligible beneficiary. Generally, the
28 minimum purchase price is one percent of the undergraduate tuition
29 and fees for the current year, rounded to the nearest whole dollar,
30 adjusted for the costs of administration and adjusted to ensure the
31 actuarial soundness of the account. The analysis for price setting
32 shall also include, but not be limited to consideration of past and
33 projected patterns of tuition increases, program liability, past and
34 projected investment returns, and the need for a prudent
35 stabilization reserve.

36 **Sec. 5.** RCW 28B.95.030 and 2011 1st sp.s. c 12 s 2 and 2011 1st
37 sp.s. c 11 s 170 are each reenacted and amended to read as follows:

38 (1) The Washington advanced college tuition payment program shall
39 be administered by the committee on advanced tuition payment which

1 shall be chaired by the director of the office. The committee shall
2 be supported by staff of the office.

3 (2)(a) The Washington advanced college tuition payment program
4 shall consist of the sale of tuition units, which may be redeemed by
5 the beneficiary at a future date for an equal number of tuition units
6 regardless of any increase in the price of tuition, that may have
7 occurred in the interval.

8 (b) Each purchase shall be worth a specific number of or fraction
9 of tuition units at each state institution of higher education as
10 determined by the governing body.

11 (c) The number of tuition units necessary to pay for a full
12 year's, full-time undergraduate tuition and fee charges at a state
13 institution of higher education shall be set by the governing body at
14 the time a purchaser enters into a tuition unit contract.

15 (d) The governing body may limit the number of tuition units
16 purchased by any one purchaser or on behalf of any one beneficiary,
17 however, no limit may be imposed that is less than that necessary to
18 achieve four years of full-time, undergraduate tuition charges at a
19 state institution of higher education. The governing body also may,
20 at its discretion, limit the number of participants, if needed, to
21 ensure the actuarial soundness and integrity of the program.

22 (e) While the Washington advanced college tuition payment program
23 is designed to help all citizens of the state of Washington, the
24 governing body may determine residency requirements for eligible
25 purchasers and eligible beneficiaries to ensure the actuarial
26 soundness and integrity of the program.

27 (3)(a) No tuition unit may be redeemed until two years after the
28 purchase of the unit.

29 (b) Units may be redeemed for enrollment at any institution of
30 higher education that is recognized by the internal revenue service
31 under chapter 529 of the internal revenue code. Units may also be
32 redeemed to pay for dual credit fees.

33 ~~((b))~~ (c) Units redeemed at a nonstate institution of higher
34 education or for graduate enrollment shall be redeemed at the rate
35 for state public institutions in effect at the time of redemption.

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

1 (5) The governing body shall administer the Washington advanced
2 college tuition payment program in a manner reasonably designed to be
3 actuarially sound, such that the assets of the trust will be
4 sufficient to defray the obligations of the trust including the costs
5 of administration. The governing body may, at its discretion,
6 discount the minimum purchase price for certain kinds of purchases
7 such as those from families with young children, as long as the
8 actuarial soundness of the account is not jeopardized.

9 (6) The governing body shall annually determine current value of
10 a tuition unit.

11 (7) The governing body shall promote, advertise, and publicize
12 the Washington advanced college tuition payment program.

13 (8) In addition to any other powers conferred by this chapter,
14 the governing body may:

15 (a) Impose reasonable limits on the number of tuition units or
16 units that may be used in any one year;

17 (b) Determine and set any time limits, if necessary, for the use
18 of benefits under this chapter;

19 (c) Impose and collect administrative fees and charges in
20 connection with any transaction under this chapter;

21 (d) Appoint and use advisory committees and the state actuary as
22 needed to provide program direction and guidance;

23 (e) Formulate and adopt all other policies and rules necessary
24 for the efficient administration of the program;

25 (f) Consider the addition of an advanced payment program for room
26 and board contracts and also consider a college savings program;

27 (g) Purchase insurance from insurers licensed to do business in
28 the state, to provide for coverage against any loss in connection
29 with the account's property, assets, or activities or to further
30 insure the value of the tuition units;

31 (h) Make, execute, and deliver contracts, conveyances, and other
32 instruments necessary to the exercise and discharge of its powers and
33 duties under this chapter;

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

37 (j) Contract for other services or for goods needed by the
38 governing body in the conduct of its business under this chapter;

1 (k) Contract with financial consultants, actuaries, auditors, and
2 other consultants as necessary to carry out its responsibilities
3 under this chapter;

4 (l) Solicit and accept cash donations and grants from any person,
5 governmental agency, private business, or organization; and

6 (m) Perform all acts necessary and proper to carry out the duties
7 and responsibilities of this program under this chapter.

8 **Sec. 6.** RCW 28A.600.320 and 2009 c 524 s 4 are each amended to
9 read as follows:

10 A school district shall provide general information about the
11 program to all pupils in grades (~~ten, eleven, and~~) eight through
12 twelve and the parents and guardians of those pupils, including
13 information about the opportunity to enroll in the program through
14 online courses available at community and technical colleges and
15 other state institutions of higher education and including the
16 college high school diploma options under RCW 28B.50.535. To assist
17 the district in planning, a pupil shall inform the district of the
18 pupil's intent to enroll in courses at an institution of higher
19 education for credit. Students are responsible for applying for
20 admission to the institution of higher education.

21 **Sec. 7.** RCW 28A.300.118 and 2000 c 126 s 1 are each amended to
22 read as follows:

23 (1) Beginning with the 2000-01 school year, the superintendent of
24 public instruction shall notify senior high schools and any other
25 public school that includes eighth or ninth grades of the names and
26 contact information of public and private entities offering programs
27 leading to college credit, including information about online
28 advanced placement classes, if the superintendent has knowledge of
29 such entities and if the cost of reporting these entities is minimal.

30 (2) Beginning with the 2000-01 school year, each senior high
31 school and any other public school that includes ninth grade shall
32 publish annually and deliver to each parent with children enrolled in
33 ninth through twelfth grades, information concerning the entrance
34 requirements and the availability of programs in the local area that
35 lead to college credit, including classes such as advanced placement,
36 running start, tech-prep, skill centers, college in the high school,
37 and international baccalaureate programs. The information may be
38 included with other information the school regularly mails to

1 parents. In addition, each senior high school and any other public
2 school that includes ninth grade shall enclose information of the
3 names and contact information of other public or private entities
4 offering such programs, including online advanced placement programs,
5 to its ninth through twelfth grade students if the school has
6 knowledge of such entities.

7 (3) Beginning with the 2015-16 school year, each middle school
8 and any other public school that includes eighth grade shall publish
9 annually and deliver to each parent with children enrolled in eighth
10 through twelfth grades, information concerning the entrance
11 requirements and the availability of programs in the local area that
12 lead to college credit as required in subsection (2) of this section.

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