
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1546

AS AMENDED BY THE SENATE

Passed Legislature - 2015 Regular Session

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.320.196, 28A.600.290, and 28A.600.310; reenacting and
4 amending RCW 28B.95.020 and 28B.95.030; creating new sections; and
5 providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that Washington has
8 been a front-runner in dual credit innovation through the
9 establishment of the running start and college in the high school
10 programs, and has continued to expand student choices in dual credit
11 programs.

12 In Washington, a range of dual credit or dual enrollment programs
13 are available to students. Dual credit programs, such as running
14 start, college in the high school, tech prep (course completion
15 options), and AP and international baccalaureate and Cambridge
16 (standardized exam options) offer academically prepared students the
17 opportunity to earn college credits while still in high school.
18 Students who participate in these programs achieve improved high
19 school graduation rates and are more likely to continue on to college
20 and complete a degree. In addition, dual credit and dual enrollment
21 programs support students' individual college and career pathways.

1 The legislature further finds that through the development and
2 implementation of the 2013 roadmap the student achievement council
3 has identified key barriers that limit access to dual credit
4 programs, particularly for low-income students. Removing these
5 barriers is a critical step toward achieving the state educational
6 attainment goals outlined in the roadmap.

7 The legislature recognizes that the decision to enroll in a dual
8 credit program should be made by the student and the student's
9 parents or guardians, in consultation with counselors or academic
10 advisors, and based on the academic, cultural, and developmental
11 needs and college and career goals of the student. The decision to
12 choose one dual credit option over another should not be based on the
13 difference in the costs of one option over another.

14 In the college in the high school program, credit is awarded
15 based on successful course completion and ability to pay tuition and
16 fees. Under the current college in the high school system, some
17 students may successfully complete the course but do not receive
18 credit because they are unable to pay.

19 Students in the running start program face a different but
20 equally challenging situation. Students in the running start program
21 do not receive funding for books and transportation costs. These
22 financial barriers decrease opportunities for lower income students
23 to benefit from dual credit programs.

24 Therefore, the legislature intends to increase opportunities for
25 academically prepared high school students to earn up to two years of
26 college credit through dual credit programs, and to reduce
27 disparities in access to, and completion of, these programs. This act
28 provides a new funding model to support tuition in the college in the
29 high school program, and provides flexibility in the academic
30 acceleration incentive program to assist students with transportation
31 and book expenses associated with the running start program. It is
32 the intent of the legislature, once this new funding model is enacted
33 and operational, to establish a distinction between the college in
34 the high school program as a program occurring in high schools and
35 the running start program as a program occurring on a college campus.

36 The legislature finds that dual credit opportunities are a
37 valuable means of supporting students on their way to successful
38 completion of college and career pathways. The legislature seeks
39 additional recommendations to mitigate financial and other barriers

1 for students enrolled in the running start program, and dual credit
2 programs based on standardized exams.

3 **Sec. 2.** RCW 28A.320.196 and 2013 c 184 s 3 are each amended to
4 read as follows:

5 (1) Subject to funds appropriated specifically for this purpose,
6 the academic acceleration incentive program is established as
7 provided in this section. The intent of the legislature is that the
8 funds awarded under the program be used to support teacher training,
9 curriculum, technology, examination fees, textbook fees, and other
10 costs associated with offering dual credit courses to high school
11 students, including transportation for running start students to and
12 from the institution of higher education as defined in RCW
13 28A.600.300.

14 (2) The office of the superintendent of public instruction shall
15 allocate half of the funds appropriated for the purposes of this
16 section on a competitive basis to provide one-time grants for high
17 schools to expand the availability of dual credit courses. To be
18 eligible for a grant, a school district must have adopted an academic
19 acceleration policy as provided under RCW 28A.320.195. In making
20 grant awards, the office of the superintendent of public instruction
21 must give priority to grants for high schools with a high proportion
22 of low-income students and high schools seeking to develop new
23 capacity for dual credit courses rather than proposing marginal
24 expansion of current capacity.

25 (3) The office of the superintendent of public instruction shall
26 allocate half of the funds appropriated for the purposes of this
27 section to school districts as an incentive award for each student
28 who earned dual high school and college credit, as described under
29 subsection (4) of this section, for courses offered by the district's
30 high schools during the previous school year. School districts must
31 distribute the award to the high schools that generated the funds.
32 The award amount for low-income students eligible to participate in
33 the federal free and reduced-price meals program who earn dual
34 credits must be set at one hundred twenty-five percent of the base
35 award for other students. A student who earns more than one dual
36 credit in the same school year counts only once for the purposes of
37 the incentive award.

1 (4) For the purposes of this section, the following students are
2 considered to have earned dual high school and college credit in a
3 course offered by a high school:

4 (a) Students who achieve a score of three or higher on an AP
5 examination;

6 (b) Students who achieve a score of four or higher on an
7 examination of the international baccalaureate diploma programme;

8 (c) Students who successfully complete a Cambridge advanced
9 international certificate of education examination;

10 (d) Students who successfully complete a course through the
11 college in the high school program under RCW 28A.600.290 and are
12 awarded credit by the partnering institution of higher education; and

13 (e) Students who satisfy the dual enrollment and class
14 performance requirements to earn college credit through a tech prep
15 course.

16 (5) If a high school provides access to online courses for
17 students to earn dual high school and college credit at no cost to
18 the student, such a course is considered to be offered by the high
19 school. (~~Students enrolled in the running start program under RCW
20 28A.600.300 do not generate an incentive award under this section.~~)

21 (6) The office of the superintendent of public instruction shall
22 report to the education policy committees and the fiscal committees
23 of the legislature, by January 1st of each year, information about
24 the demographics of the students earning dual credits in the schools
25 receiving grants under this section for the prior school year.
26 Demographic data shall be disaggregated pursuant to RCW 28A.300.042.

27 **Sec. 3.** RCW 28A.600.290 and 2012 c 229 s 801 are each amended to
28 read as follows:

29 ~~(1) ((The superintendent of public instruction, the state board
30 for community and technical colleges, and the public baccalaureate
31 institutions shall jointly develop and each adopt rules governing the
32 college in the high school program. The association of Washington
33 school principals shall be consulted during the rules development.
34 The rules shall be written to encourage the maximum use of the
35 program and may not narrow or limit the enrollment options.~~

36 ~~(2))~~ (a) Subject to the availability of amounts appropriated for
37 this specific purpose and commencing with the 2015-16 school year,
38 funding may be allocated at an amount per college credit for eleventh
39 and twelfth grade students or students who have not yet received a

1 high school diploma or its equivalent and are eligible to be in the
2 eleventh or twelfth grade who are enrolled in college in the high
3 school courses under this section as specified in the omnibus
4 appropriations act and adjusted for inflation from the 2015-16 school
5 year. The maximum annual number of allocated credits per
6 participating student shall be specified in the omnibus
7 appropriations act, which must not exceed ten credits. Funding shall
8 be prioritized in the following order:

9 (i) High schools offering a running start in the high school
10 program in school year 2014-15. These schools shall only receive
11 prioritized funding in school year 2015-16;

12 (ii) Students whose residence or the high school in which they
13 are enrolled is located twenty driving miles or more as measured by
14 the most direct route from the nearest eligible institution of higher
15 education offering a running start program, whichever is greater; and

16 (iii) High schools eligible for the small school funding
17 enhancement in the omnibus appropriations act.

18 (b)(i) Subject to the availability of amounts appropriated for
19 this specific purpose and commencing with the 2015-16 school year,
20 and only after the programs in (a) of this subsection are funded, a
21 subsidy may be provided per college credit for eleventh and twelfth
22 grade students or students who have not yet received a high school
23 diploma or its equivalent and are eligible to be in the eleventh or
24 twelfth grade who have been deemed eligible for free or reduced-price
25 lunch and are enrolled in college in the high school courses under
26 this section as specified in the omnibus appropriations act and
27 adjusted for inflation from the 2015-16 school year. The maximum
28 annual number of subsidized credits per participating student shall
29 be specified in the omnibus appropriations act, which must not exceed
30 five credits.

31 (ii) Districts wishing to participate in the subsidy program must
32 apply to the office of the superintendent of public instruction by
33 July 1st of each year and report the preliminary estimate of eligible
34 students to receive the subsidy and the total number of projected
35 credit hours.

36 (iii) The office of the superintendent of public instruction
37 shall notify districts by September 1st of each school year if the
38 district's students will receive the subsidy. If more districts apply
39 than funding is available, the office of the superintendent of public
40 instruction shall prioritize the district applications. The

1 superintendent shall develop factors to determine priority including,
2 but not limited to, the number of dual credit opportunities available
3 for low-income students in the districts.

4 (c) Districts shall remit any allocations or subsidies on behalf
5 of participating students under (a) and (b) of this subsection to the
6 participating institution of higher education and those students
7 shall not be required to pay for the credits.

8 (d) The minimum allocation and subsidy under this section is
9 sixty-five dollars per quarter credit for credit-bearing
10 postsecondary coursework. The office of the superintendent of public
11 instruction, the student achievement council, the state board for
12 community and technical colleges, and the public baccalaureate
13 institutions shall review funding levels for the program every four
14 years beginning in 2017 and recommend changes.

15 (e) Students may pay college in the high school fees with
16 advanced college tuition payment program tuition units at a rate set
17 by the advanced college tuition payment program governing body under
18 chapter 28B.95 RCW.

19 (2) For the purposes of funding students enrolled in the college
20 in the high school program in accordance with subsection (1) of this
21 section, college in the high school is defined as a dual credit
22 program located on a high school campus or in a high school
23 environment in which a high school student is able to earn both high
24 school and postsecondary credit by completing postsecondary level
25 courses with a passing grade.

26 (3) College in the high school programs may include both academic
27 and career and technical education.

28 (4) College in the high school programs shall each be governed by
29 a local contract between the district and the participating
30 institution of higher education, in compliance with the ((guidelines
31 adopted by the superintendent of public instruction, the state board
32 for community and technical colleges, and the public baccalaureate
33 institutions)) rules adopted by the superintendent of public
34 instruction under this section.

35 ((+3)) (5) The college in the high school program must include
36 the provisions in this subsection.

37 (a) The high school and participating institution of higher
38 education together shall define the criteria for student eligibility.
39 The institution of higher education may charge tuition fees to
40 participating students. If specific funding is provided in the

1 omnibus appropriations act for the per credit allocations and per
2 credit subsidies under subsection (1) of this section, the maximum
3 per credit fee charged to any enrolled student may not exceed the
4 amount of the per credit allocation or subsidy.

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

7 ~~(e))~~ The funds received by the participating institution of
8 higher education may not be deemed tuition or operating fees and may
9 be retained by the institution of higher education.

10 ~~((d))~~ (c) Enrollment information on persons registered under
11 this section must be maintained by the institution of higher
12 education separately from other enrollment information and may not be
13 included in official enrollment reports, nor may such persons be
14 considered in any enrollment statistics that would affect higher
15 education budgetary determinations.

16 ~~((e))~~ (d) A school district must grant high school credit to a
17 student enrolled in a program course if the student successfully
18 completes the course. If no comparable course is offered by the
19 school district, the school district superintendent shall determine
20 how many credits to award for the course. The determination shall be
21 made in writing before the student enrolls in the course. The credits
22 shall be applied toward graduation requirements and subject area
23 requirements. Evidence of successful completion of each program
24 course shall be included in the student's secondary school records
25 and transcript.

26 ~~((f) An))~~ (e) A participating institution of higher education
27 must grant college credit to a student enrolled in a program course
28 if the student successfully completes the course. The college credit
29 shall be applied toward general education requirements or ~~((major~~
30 ~~requirements. If no comparable course is offered by the college, the~~
31 ~~institution of higher education at which the teacher of the program~~
32 ~~course is employed shall determine how many credits to award for the~~
33 ~~course and whether the course fulfills general education or major))~~
34 degree requirements at institutions of higher education. Evidence of
35 successful completion of each program course must be included in the
36 student's college transcript.

37 ~~((g))~~ (f) Tenth, eleventh, and twelfth grade students or
38 students who have not yet received a high school diploma or its
39 equivalent and are eligible to be in the tenth, eleventh, or twelfth
40 grades may participate in the college in the high school program.

1 ((+h)) (g) Participating school districts must provide general
2 information about the college in the high school program to all
3 students in grades ~~((ten, eleven, and))~~ nine through twelve and to
4 the parents and guardians of those students.

5 ((+i)) (h) Full-time and part-time faculty at institutions of
6 higher education, including adjunct faculty, are eligible to teach
7 program courses.

8 ((+4)) (6) The superintendent of public instruction shall adopt
9 rules for the administration of this section. The rules shall be
10 jointly developed by the superintendent of public instruction, the
11 state board for community and technical colleges, the student
12 achievement council, and the public baccalaureate institutions. The
13 association of Washington school principals must be consulted during
14 the rules development. The rules must outline quality and eligibility
15 standards that are informed by nationally recognized standards or
16 models. In addition, the rules must encourage the maximum use of the
17 program and may not narrow or limit the enrollment options.

18 (7) The definitions in this subsection apply throughout this
19 section.

20 (a) "Institution of higher education" has the ~~((meaning))~~
21 definition in RCW 28B.10.016, and also includes a public tribal
22 college located in Washington and accredited by the Northwest
23 commission on colleges and universities or another accrediting
24 association recognized by the United States department of education.

25 (b) "Program course" means a college course offered in a high
26 school under the college in the high school program.

27 **Sec. 4.** RCW 28A.600.310 and 2012 c 229 s 702 are each amended to
28 read as follows:

29 (1)(a) Eleventh and twelfth grade students or students who have
30 not yet received the credits required for the award of a high school
31 diploma and are eligible to be in the eleventh or twelfth grades may
32 apply to a participating institution of higher education to enroll in
33 courses or programs offered by the institution of higher education.

34 (b) The course sections and programs offered as running start
35 courses must also be open for registration to matriculated students
36 at the participating institution of higher education and may not be a
37 course consisting solely of high school students offered at a high
38 school campus.

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

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

28 (i) Running start students shall pay to the community or
29 technical college all other mandatory fees as established by each
30 community or technical college and, in addition, the state board for
31 community and technical colleges may authorize a fee of up to ten
32 percent of tuition and fees as defined in RCW 28B.15.020 and
33 28B.15.041; and

34 (ii) All other institutions of higher education operating a
35 running start program may charge running start students a fee of up
36 to ten percent of tuition and fees as defined in RCW 28B.15.020 and
37 28B.15.041 in addition to technology fees.

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

1 (c) Students may pay fees under this subsection with advanced
2 college tuition payment program tuition units at a rate set by the
3 advanced college tuition payment program governing body under chapter
4 28B.95 RCW.

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

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

29 (4) The pupil's school district shall transmit to the institution
30 of higher education an amount per each full-time equivalent college
31 student at statewide uniform rates for vocational and nonvocational
32 students. The superintendent of public instruction shall separately
33 calculate and allocate moneys appropriated for basic education under
34 RCW 28A.150.260 to school districts for purposes of making such
35 payments and for granting school districts seven percent thereof to
36 offset program related costs. The calculations and allocations shall
37 be based upon the estimated statewide annual average per full-time
38 equivalent high school student allocations under RCW 28A.150.260,
39 excluding small high school enhancements, and applicable rules
40 adopted under chapter 34.05 RCW. The superintendent of public

1 instruction, participating institutions of higher education, and the
2 state board for community and technical colleges shall consult on the
3 calculation and distribution of the funds. The funds received by the
4 institution of higher education from the school district shall not be
5 deemed tuition or operating fees and may be retained by the
6 institution of higher education. A student enrolled under this
7 subsection shall be counted for the purpose of meeting enrollment
8 targets in accordance with terms and conditions specified in the
9 omnibus appropriations act.

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

24 **Sec. 5.** RCW 28B.95.020 and 2012 c 229 s 606 are each reenacted
25 and amended to read as follows:

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

28 (1) "Academic year" means the regular nine-month, three-quarter,
29 or two-semester period annually occurring between August 1st and July
30 31st.

31 (2) "Account" means the Washington advanced college tuition
32 payment program account established for the deposit of all money
33 received by the office from eligible purchasers and interest earnings
34 on investments of funds in the account, as well as for all
35 expenditures on behalf of eligible beneficiaries for the redemption
36 of tuition units and for the development of any authorized college
37 savings program pursuant to RCW 28B.95.150.

38 (3) "Committee on advanced tuition payment" or "committee" means
39 a committee of the following members: The state treasurer, the

1 director of the office of financial management, the director of the
2 office, or their designees, and two members to be appointed by the
3 governor, one representing program participants and one private
4 business representative with marketing, public relations, or
5 financial expertise.

6 (4) "Contractual obligation" means a legally binding contract of
7 the state with the purchaser and the beneficiary establishing that
8 purchases of tuition units will be worth the same number of tuition
9 units at the time of redemption as they were worth at the time of the
10 purchase.

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

14 (6) "Eligible beneficiary" means the person for whom the tuition
15 unit will be redeemed for attendance at an institution of higher
16 education, participation in college in the high school under RCW
17 28A.600.290, or participation in running start under RCW 28A.600.310.
18 The beneficiary is that person named by the purchaser at the time
19 that a tuition unit contract is accepted by the governing body.
20 Qualified organizations, as allowed under section 529 of the federal
21 internal revenue code, purchasing tuition unit contracts as future
22 scholarships need not designate a beneficiary at the time of
23 purchase.

24 ((+6)) (7) "Eligible purchaser" means an individual or
25 organization that has entered into a tuition unit contract with the
26 governing body for the purchase of tuition units for an eligible
27 beneficiary. The state of Washington may be an eligible purchaser for
28 purposes of purchasing tuition units to be held for granting
29 Washington college bound scholarships.

30 ((+7)) (8) "Full-time tuition charges" means resident tuition
31 charges at a state institution of higher education for enrollments
32 between ten credits and eighteen credit hours per academic term.

33 ((+8)) (9) "Governing body" means the committee empowered by the
34 legislature to administer the Washington advanced college tuition
35 payment program.

36 ((+9)) (10) "Institution of higher education" means an
37 institution that offers education beyond the secondary level and is
38 recognized by the internal revenue service under chapter 529 of the
39 internal revenue code.

1 (~~(10)~~) (11) "Investment board" means the state investment board
2 as defined in chapter 43.33A RCW.

3 (~~(11)~~) (12) "Office" means the office of student financial
4 assistance as defined in chapter 28B.76 RCW.

5 (~~(12)~~) (13) "State institution of higher education" means
6 institutions of higher education as defined in RCW 28B.10.016.

7 (~~(13)~~) (14) "Tuition and fees" means undergraduate tuition and
8 services and activities fees as defined in RCW 28B.15.020 and
9 28B.15.041 rounded to the nearest whole dollar. For purposes of this
10 chapter, services and activities fees do not include fees charged for
11 the payment of bonds heretofore or hereafter issued for, or other
12 indebtedness incurred to pay, all or part of the cost of acquiring,
13 constructing, or installing any lands, buildings, or facilities.

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

19 (~~(15)~~) (16) "Unit purchase price" means the minimum cost to
20 purchase one tuition unit for an eligible beneficiary. Generally, the
21 minimum purchase price is one percent of the undergraduate tuition
22 and fees for the current year, rounded to the nearest whole dollar,
23 adjusted for the costs of administration and adjusted to ensure the
24 actuarial soundness of the account. The analysis for price setting
25 shall also include, but not be limited to consideration of past and
26 projected patterns of tuition increases, program liability, past and
27 projected investment returns, and the need for a prudent
28 stabilization reserve.

29 **Sec. 6.** RCW 28B.95.030 and 2011 1st sp.s. c 12 s 2 and 2011 1st
30 sp.s. c 11 s 170 are each reenacted and amended to read as follows:

31 (1) The Washington advanced college tuition payment program shall
32 be administered by the committee on advanced tuition payment which
33 shall be chaired by the director of the office. The committee shall
34 be supported by staff of the office.

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

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

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

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

15 (e) While the Washington advanced college tuition payment program
16 is designed to help all citizens of the state of Washington, the
17 governing body may determine residency requirements for eligible
18 purchasers and eligible beneficiaries to ensure the actuarial
19 soundness and integrity of the program.

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

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

26 (b) Units redeemed at a nonstate institution of higher education
27 or for graduate enrollment shall be redeemed at the rate for state
28 public institutions in effect at the time of redemption.

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

34 (5) The governing body shall administer the Washington advanced
35 college tuition payment program in a manner reasonably designed to be
36 actuarially sound, such that the assets of the trust will be
37 sufficient to defray the obligations of the trust including the costs
38 of administration. The governing body may, at its discretion,
39 discount the minimum purchase price for certain kinds of purchases

1 such as those from families with young children, as long as the
2 actuarial soundness of the account is not jeopardized.

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

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

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

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

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

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

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

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

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

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

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

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

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

33 (k) Contract with financial consultants, actuaries, auditors, and
34 other consultants as necessary to carry out its responsibilities
35 under this chapter;

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

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

1 NEW SECTION. **Sec. 7.** (1) By September 15, 2016, the student
2 achievement council, in collaboration with the state board for
3 community and technical colleges, the office of the superintendent of
4 public instruction, and the public baccalaureate institutions, shall
5 make recommendations to the legislature to streamline and improve
6 dual credit programs in Washington with particular attention to
7 increasing participation of students who are low income and/or
8 currently underrepresented in the running start, AP, international
9 baccalaureate, and Cambridge international programs.
10 (2) This section expires January 1, 2017.

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