

NEW SECTION. Sec. 12. There is hereby appropriated from the general fund to the court of appeals to carry out the provisions of this act the sum of one million dollars.

NEW SECTION. Sec. 13. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House May 2, 1969.

Passed the Senate April 25, 1969.

Approved by the Governor May 8, 1969, with the exception of section 12, which is vetoed.

Filed in office of Secretary of State May 12, 1969.

NOTE: Governor's explanation of partial veto is as follows:
"...Section 12 of this bill contains a \$1,000,000 appropriation. Section 2 of the conference version of the budget also contains a \$1,000,000 appropriation for the appellate court. In order to bring Engrossed House Bill No. 183 into conformity with the action of the conference committee on the budget, I have vetoed section 12. The remainder of Engrossed House Bill No. 183 is approved."

CHAPTER 222
[Engrossed House Bill No. 635]
HIGHER EDUCATION--STUDENT FINANCIAL AID

AN ACT Relating to education; amending section 1, chapter 191, Laws of 1959 and RCW 28.76.420; amending section 28B.10.280, chapter ..., Laws of 1969 (HB 58) and RCW 28B.10.280; providing sections to effect the correlative and pari materia construction of this act with the provisions of Title 28 RCW, or of Titles 28A and 28B RCW if such titles shall be enacted; providing for financial assistance to needy or disadvantaged students attending institutions of higher education within the state; making an appropriation; and declaring an emergency.

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

Part I. Sections affecting current law.

Section 1. Section 1, chapter 191, Laws of 1959 and RCW 28-.76.420 are each amended to read as follows:

The boards of regents of the University of Washington and Washington State University and the boards of trustees of the state col-

leges and community college districts may each create ((a)) student loan funds, and qualify and participate in the National Defense Education Act of 1958 and such other similar federal student aid programs as are or may be enacted from time to time, and to that end may comply with all of the laws of the United States, and all of the rules, regulations and requirements promulgated pursuant thereto.

Part II. Sections affecting proposed 1969 education code.

Sec. 2. Section 28B.10.280, chapter ..., Laws of 1969 (HB 58) and RCW 28B.10.280 are each amended to read as follows:

The boards of regents of the state universities and the boards of trustees of the state colleges may each create ((a)) student loan funds, and qualify and participate in the National Defense Education Act of 1958 and such other similar federal student aid programs as are or may be enacted from time to time, and to that end may comply with all of the laws of the United States, and all of the rules, regulations and requirements promulgated pursuant thereto.

NEW SECTION. Sec. 3. Any student who organizes and/or participates in any demonstration, riot or other activity of which the effect is to interfere with or disrupt the normal educational process at such institution shall not be eligible for such aid.

Part III. Construction.

NEW SECTION. Sec. 4. The forty-first legislature has before it a bill proposing a complete revision of the education laws of this state (1969 HB 58). The provisions of Part I of the instant bill seek to change existing laws. The provisions of Part II seek to change correlative provisions of the proposed 1969 education code if such code becomes law. It is the intent of the legislature that the provisions of Part I shall be effective only until the date upon which the 1969 education code shall take effect, upon which date the provisions of Part I shall expire and the provisions of Part II shall concomitantly become effective. It is the further intent of the legislature that Part II of the instant bill shall not take effect unless the proposed 1969 education code is adopted at this legislature, but if

such event occurs then any amendatory provisions of Part II of this bill shall be construed as amending the correlative sections of the 1969 education code, any repealing provisions of Part II shall be construed as repealing the correlative section of the 1969 education code, and any new or additional provisions of Part II shall be construed as being in pari materia with the 1969 education code.

NEW SECTION. Sec. 5. Part II of this 1969 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect on the date upon which the 1969 education code becomes effective.

PART IV

NEW SECTION. Sec. 6. The legislature hereby declares that it regards the higher education of its qualified domiciliaries to be a public purpose of great importance to the welfare and security of this state and nation; and further declares that the establishment of a student financial aid program, assisting financially needy or disadvantaged students in this state to be a desirable and economical method of furthering this purpose. The legislature has concluded that the benefit to the state in assuring the development of the talents of its qualified domiciliaries will bring tangible benefits to the state in the future.

The legislature further declares that there is an urgent need at present for the establishment of a state of Washington student financial aid program, and that the most efficient and economical way to meet this need is through the plan prescribed in this act.

NEW SECTION. Sec. 7. The sole purpose of this act is to establish a state of Washington student financial aid program, thus assisting financially needy or disadvantaged students domiciled in Washington to obtain the opportunity of attending an accredited institution of higher education, as defined in section 8 (1) of this act.

NEW SECTION. Sec. 8. As used in Part IV of this act:

(1) "Institutions of higher education" shall mean any public or private college, university or community college in the state of Washington which is accredited by the Northwest Association of Secondary and Higher Schools; and an institute of higher education shall also mean any public vocational-technical institute in the state of Washington.

(2) The term "financial aid" shall mean loans and/or grants to needy students enrolled or accepted for enrollment as a full time student at institutions of higher education.

(3) The term "commission" shall mean the Washington state student financial aid commission. - V

(4) The term "needy student" shall mean a post high school student of an institution of higher learning as defined in subsection (1) above who demonstrates to the commission the financial inability, either through his parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter.

(5) The term "disadvantaged student" shall mean a post high school student who by reason of adverse cultural, educational, environmental, experiential, familial or other circumstances is unable to qualify for enrollment as a full time student in an institution of higher learning, who would otherwise qualify as a needy student, and who is attending an institution of higher learning under an established program designed to qualify him for enrollment as a full time student.

NEW SECTION. Sec. 9. This program shall be administered by the Washington state student financial aid commission, hereinafter referred to as the "commission". The commission shall be composed of seven members appointed by the governor. The length of term of members initially appointed to the commission shall be decided by lot. Three members shall serve for three years, two members shall serve for two years, and the remaining two members shall serve for one year. Thereafter all terms shall be for the period of three years. Vacan- - V

cies shall be filled for unexpired terms in the same manner as for original appointments.

V - The commission shall elect from its own members each year a chairman and secretary who shall serve for terms of one year.

The members of the commission shall receive no compensation for their services, but shall be reimbursed for expenses necessarily incurred in the performance of their duties.

NEW SECTION. Sec. 10. The commission shall be cognizant of the following guidelines in the performance of its duties:

(1) The commission shall be research oriented, not only at its inception but continually through its existence.

(2) The commission shall coordinate all existing programs of financial aid except those specifically dedicated to a particular institution by the donor.

(3) The commission shall take the initiative and responsibility for coordinating all federal student financial aid programs to insure that the state recognizes the maximum potential effect of these programs, and shall design the state program which complements existing federal, state and institutional programs.

(4) Counseling is a paramount function of student financial aid, and in most cases could only be properly implemented at the institutional levels; therefore, state student financial aid programs shall be concerned with the attainment of those goals which, in the judgment of the commission, are the reasons for the existence of a student financial aid program, and not solely with administration of the program on an individual basis.

(5) In the development of any new program, the commission shall seek advice from and consultation with the institutions of higher learning, state agencies, industry, labor, and such other interested groups as may be able to contribute to the effectiveness of program development and implementation.

(6) The "package" approach of combining loans, grants and employment for student financial aid shall be the conceptual element

of the state's involvement.

NEW SECTION. Sec. 11. The commission shall have the following powers and duties:

(1) Conduct a full analysis of student financial aid as a means of;

(a) Fulfilling educational aspirations of students of the state of Washington, and

(b) Improving the general, social, cultural, and economic character of the state.

Such an analysis will be a continuous one and will yield current information relevant to needed improvements in the state program of student financial aid. The commission will disseminate the information yielded by their analyses to all appropriate individuals and agents.

(c) This study should include information on the following:

(1) all programs and sources of available student financial aid,

(ii) distribution of Washington citizens by socio-economic class,

(iii) data from federal and state studies useful in identifying;

(A) demands of students for specific educational goals in colleges, and

(B) the discrepancy between high school students' preferences and the colleges they actually selected.

(2) Design a state program of student financial aid based on the data of the study referred to in this section. The state program will supplement available federal and local aid programs. The state program of student financial aid will not exceed the difference between the budgetary costs of attending an institution of higher learning and the student's total resources, including family support, per-

sonal savings, employment, and federal and local aid programs.

(3) Determine and establish criteria for financial need of the individual applicant based upon the consideration of that particular applicant. In making this determination the commission shall consider the following:

(a) Assets and income of the student.

(b) Assets and income of the parents, or the individuals legally responsible for the care and maintenance of the student.

(c) The cost of attending the institution the student is attending or planning to attend.

(d) Any other criteria deemed relevant to the commission.

(4) Set the amount of financial aid to be awarded to any individual needy or disadvantaged student in any school year.

(5) Award financial aid to full time needy or disadvantaged students for a school year based upon only that amount necessary to fill the financial gap between the budgetary cost of attending an institution of higher education and the family and student contribution.

(6) Review the need and eligibility of all applications on an annual basis and adjust financial aid to reflect changes in the financial need of the recipients and the cost of attending the institution of higher education.

NEW SECTION. Sec. 12. In awarding grants, the commission shall proceed substantially as follows: PROVIDED, That nothing contained herein shall be construed to prevent the commission, in the exercise of its sound discretion, from following another procedure when the best interest of the program so dictates:

(1) The commission shall annually select the financial aid award winners from among Washington residents applying for student financial aid who have been ranked according to financial need as determined by the amount of the family contribution and other considerations brought to the commission's attention.

(2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are declined, forfeited or otherwise unused shall be reawarded until dispersed.

(3) A grant may be renewed until the course of study is completed, but not for more than an additional three academic years beyond the first year of the award. These shall not be required to be consecutive years. Qualifications for renewal will include maintaining satisfactory academic standing toward completion of the course of study, and continued eligibility as determined by the commission. Should the recipient terminate his enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds.

(4) In computing financial need the commission shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions plus the current average state appropriation per student for operating expense in the public institutions.

NEW SECTION. Sec. 13. For a student to be eligible for financial aid he must:

(1) Be a "needy student" or "disadvantaged student" as determined by the commission in accordance with section 8(4) and (5) of this act.

(2) Have been domiciled within the state of Washington for at least one year.

(3) Be enrolled or accepted for enrollment as a full time student or as a student under an established program designed to qualify him for enrollment as a full time student at an institution of higher education in Washington.

(4) Have complied with all the rules and regulations adopted by the commission for the administration of Part IV of this act.

NEW SECTION. Sec. 14. All student financial aid shall be granted by the commission without regard to the applicant's race, creed, color, religion, sex, or ancestry.

NEW SECTION. Sec. 15. No aid shall be awarded to any student who is pursuing a degree in theology.

NEW SECTION. Sec. 16. A state financial aid recipient under Part IV of this act shall apply the award toward the cost of tuition, room, board, books and fees at the institution of higher education attended.

NEW SECTION. Sec. 17. Funds appropriated for student financial assistance to be granted pursuant to Part IV of this act shall be disbursed as determined by the commission.

NEW SECTION. Sec. 18. The commission shall be authorized to accept grants, gifts, bequests, and devises of real and personal property from any source for the purpose of granting financial aid in addition to that funded by the state.

NEW SECTION. Sec. 19. The commission shall adopt rules and regulations as may be necessary or appropriate for effecting the provisions of Part IV of this act, and not in conflict with Part IV of this act, in accordance with the provisions of chapter 34.04 RCW, the Administrative Procedure Act.

NEW SECTION. Sec. 20. Subject to the provisions of chapter 41.06 RCW, state civil service law, or the higher education personnel board statute, if enacted by the forty-first legislature as Senate Bill No. 246, the commission shall appoint an executive director as chief administrator of the commission, and such employees as it deems advisable, and shall fix their compensation and prescribe their duties.

NEW SECTION. Sec. 21. The responsibility for administering Title IV-B of the Higher Education Act of 1965 is hereby transferred from the higher education facilities commission to the Washington student financial aid commission effective July 1, 1969.

NEW SECTION. Sec. 22. If this measure is enacted without the provisions of section 9 of this act, then the act shall be administered by the higher education facilities commission until a student financial aid commission is established.

NEW SECTION. Sec. 23. There is hereby appropriated from the state general fund to the Washington state student financial aid commission for the biennium ending June 30, 1971, the sum of six hundred thousand dollars or so much thereof as may be necessary to carry out the provisions of Part IV of this act:

PROVIDED, That if this measure is enacted without the provisions of section 9 of this act then such appropriation shall be administered by the higher education facilities commission until a student financial aid commission is established.

NEW SECTION. Sec. 24. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 25. Part IV of this act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House April 28, 1969.

Passed the Senate April 8, 1969.

Approved by the Governor May 8, 1969, with the exception of subsection (3) of section 8, section 9, section 21, section 22, a certain item in section 23, and section 25, which are vetoed.

Filed in office of Secretary of State May 12, 1969.

NOTE: Governor's explanation of partial veto is as follows:

"...Part IV of this bill enacts a State of Washington Student Financial Aid program to assist needy and disadvantaged students domiciled in Washington. The bill provides that grants may be made available in order to permit qualifying students to attend the public or private accredited colleges, universities, community colleges or vocational technical institutes of their choice.

I endorse the basic objectives of this bill to create a well designed program which will provide financial aid to needy students in order to make available adequate educational opportunity to all of our citizens. Because of the relationship of Engrossed House Bill No. 635 to the provisions of the budget and other pending legislation certain technical item vetoes are required in order to perfect this bill.

Engrossed Senate Bill No. 243 has passed the Legislature. It creates a Council on Higher Education and is charged with the responsibility of overall planning for higher education in the state. Engrossed House Bill No. 132 has passed the House and is presently pending in the Senate. By the terms of that bill the functions of the Higher Education Facilities Commission and the administration of the student financial aid program are assigned to the nine citizen members of the Council on Higher Education who for such purposes are designated as the Commission on Higher Education. The Conference Committee report on the budget also assumes that the functions of the Higher Education Facilities Commission will be transferred to the Commission on Higher Education within the Council on Higher Education.

For these reasons and on the assumption of the passage of House Bill No. 132, I have vetoed the following conflicting provisions in Engrossed House Bill No. 635:

Subsection (3) of section 8 and all of section 9 which define and create the Washington State Student Financial Aid Commission, the functions of which under House Bill No. 132 will be assigned to the Commission on Higher Education; and sections 21 and 22 and the proviso to section 23 which will either be superseded by the provisions of House Bill No. 132 or are now not relevant because of the veto of section 9 of this act. I have also vetoed section 25 which declares an emergency. Since House Bill No. 132 does not contain an emergency clause and these two bills must be considered together it is desirable that their effective dates be as nearly as possible the same date.

With the exception of the vetoed items the remainder of the bill is approved.