(b) assist the board in studying issues relating to the roles and responsibilities of the common school and higher education elements of the state's education system in the preparation of prospective teachers.

Sec. 3. Section 209, chapter 525, Laws of 1987 and RCW 28A.70.408 are each amended to read as follows:

(1) The state board of education shall evaluate the pilot projects and submit a preliminary report to the legislature not later than December 1, 1989.

(2) The state board of education shall evaluate the pilot projects and submit a report to the legislature not later than ((January 15,)) December 1, 1990, including findings and recommendations.

Sec. 4. Section 210, chapter 525, Laws of 1987 (uncodified) is amended to read as follows:

Sections 205 through 209 of this act shall expire ((January-16;)) December 31, 1990.

<u>NEW SECTION.</u> Sec. 5. If specific funding for the purposes of this act, referencing this act by bill number, is not provided by June 30, 1989, in the omnibus appropriations act, this act shall be null and void.

<u>NEW SECTION.</u> Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 10, 1989. Passed the House April 14, 1989. Approved by the Governor May 5, 1989. Filed in Office of Secretary of State May 5, 1989.

CHAPTER 254

[House Bill No. 1445]

STATE COLLEGES AND UNIVERSITIES—HALF-TIME STUDENTS—FINANCIAL AID—ELIGIBILITY

AN ACT Relating to the state needs grant program; amending RCW 28B.10.802, 28B.10.806, 28B.10.808, and 28B.10.810; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Sec. 1. It is the intent of the legislature that nothing in this act shall prevent or discourage an individual from making an effort to repay any state financial aid awarded during his or her collegiate career.

Sec. 2. Section 8, chapter 222, Laws of 1969 ex. sess. as last amended by section 56, chapter 370, Laws of 1985 and RCW 28B.10.802 are each amended to read as follows:

As used in RCW 28B.10.800 through 28B.10.824:

(1) "Institutions of higher education" shall mean (1) any public university, college, community college, or vocational-technical institute operated by the state of Washington or any political subdivision thereof or (2) any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an accrediting association recognized by rule of the board for the purposes of this section: PROVIDED, That any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution of any such accrediting association: PROVIDED FURTHER, That no institution of higher education shall be eligible to participate in a student financial aid program unless it agrees to and complies with program rules and regulations adopted pursuant to RCW 28B.10.822.

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

(4) 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 the student for enrollment as a full time student.

(5) "Commission" or "board" shall mean the higher education coordinating board.

Sec. 3. Section 11, chapter 222, Laws of 1969 ex. sess. and RCW 28B.10.806 are each amended to read as follows:

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:

(i) 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, personal 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.

Sec. 4. Section 12, chapter 222, Laws of 1969 ex. sess. and RCW 28B.10.808 are each amended to read as follows:

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)) four 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.

Sec. 5. Section 13, chapter 222, Laws of 1969 ex. sess. and RCW 28B.10.810 are each amended to read as follows:

For a student to be eligible for financial aid ((he)) the student must:

(1) Be a "needy student" or "disadvantaged student" as determined by the commission in accordance with RCW 28B.10.802 (3) and (4).

(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)) on at least a half-time basis 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 RCW 28B.10.800 through 28B.10.824.

Passed the House April 18, 1989. Passed the Senate April 11, 1989. Approved by the Governor May 5, 1989. Filed in Office of Secretary of State May 5, 1989.

CHAPTER 255

[Substitute House Bill No. 1956] ADOPTION—ADVERTISING—PROHIBITED PRACTICES

AN ACT Relating to adoption; adding a new section to chapter 26.33 RCW; creating a new section; and prescribing penalties.