

**Guaranteed Education Tuition (GET) Committee
Special Meeting
Monday, March 19, 2018**

**John A. Cherberg Building, Capitol Campus
Senate Hearing Room 4
Olympia, WA 98504
2:00 p.m. – 4:00 p.m.**

AGENDA

Call to Order: Welcome & Member Introductions

- Review and Discuss Implementation of Senate Bill 6087
- Public Comment
- Adjournment

DISCUSSION

**Next Meeting:
Wednesday, April 25, 2018
John A. Cherberg Building, Olympia
Senate Hearing Room 3
2:00 p.m. – 4:00 p.m.**

Special GET Committee Meeting

March 19, 2018



Agenda

Review and Discuss
Implementation of
Senate Bill 6087



Resources

Discussion Facilitators

- **Betty Lochner, GET Director**
Washington Student Achievement Council
- **Don Bennett, Deputy Director**
Washington Student Achievement Council

Subject Matter Experts

- **Chris Phillips, Institutional Relations Director**
Washington State Investment Board
- **Matt Smith, State Actuary**
Office of the State Actuary
- **Rick Brady, Assistant Attorney General**
Office of the Attorney General

Meeting Objectives

Review:

- Details and directives of SB 6087
- Key dates outlined in SB 6087

Discuss:

- Implementation timeline
- Communication to customers
- Next steps

SB 6087 Overview

Key Bill Directives

Phase	Bill Section	Directive
1	1(23); 2(8)	Provide a 90-day window for eligible GET customers to roll over to DreamAhead at a “unit cash value price.”
2	2.9(a)(i)	Increase the number of units for eligible GET customers with an average unit purchase price above \$117.82.
3	2.9(a)(ii)	If the funded status is higher than 125%, add up to 15% more units to all eligible GET customer accounts, in order to draw the funded status down to 125%.
N/A	2(10)	Charge an amortization fee on future unit purchases as the Committee deems necessary to improve GET’s funded status.

SB 6087 Overview

Key Dates Outlined in Bill

Bill effective date: April 15, 2018

Phase	Activity	Timeframe
1	Rollover Window	By July 14, 2018 (90 days after the effective date), the Committee must set the 90-day rollover window and provide at least 30-days notice to eligible customers.
2	GET Repurchase	Once the 90-day rollover window (Phase 1) closes, and before March 1, 2019.
3	GET Funded Status Adjustment	Once the GET repurchase adjustment (Phase 2) is complete, and before March 1, 2019.

SB 6087 Overview

Phase 1 - DreamAhead Rollover Incentive (Section 2(8) of bill)

Description

Set a “unit cash value price” that is different than the GET unit payout value for eligible account owners who rollover from GET to DreamAhead within a 90-day window set by the Committee.

Tasks (no later than 7/14/18)

- Measure the market value of assets on a specific date and the count of all unredeemed units purchased before 7/1/15.
- Establish the “unit cash value price.” This value can be adjusted up to three times during the 90-day window.
- Provide 30-days notice to customers.
- Set 90-day window for incentivized GET to DreamAhead rollovers.

SB 6087 Overview

Phase 2 – GET Repurchase (Section 2(9)(a)(i) of bill)

Description

Once Phase 1 is complete, and before 3/1/19, add additional units to all customer accounts with an average unit purchase price above \$117.82 (new units added at the \$113 unit price).

Tasks

- Calculate average unit purchase price for all accounts, based on unredeemed units purchased before July 1, 2015. Exclude unpurchased units on non-paid-in-full Custom Monthly contracts.
- For all accounts with an average purchase price above \$117.82, add additional units added at the \$113 unit price.

SB 6087 Overview

Phase 3 – GET Funded Status Adjustment (Section 2(9)(a)(ii) of bill)

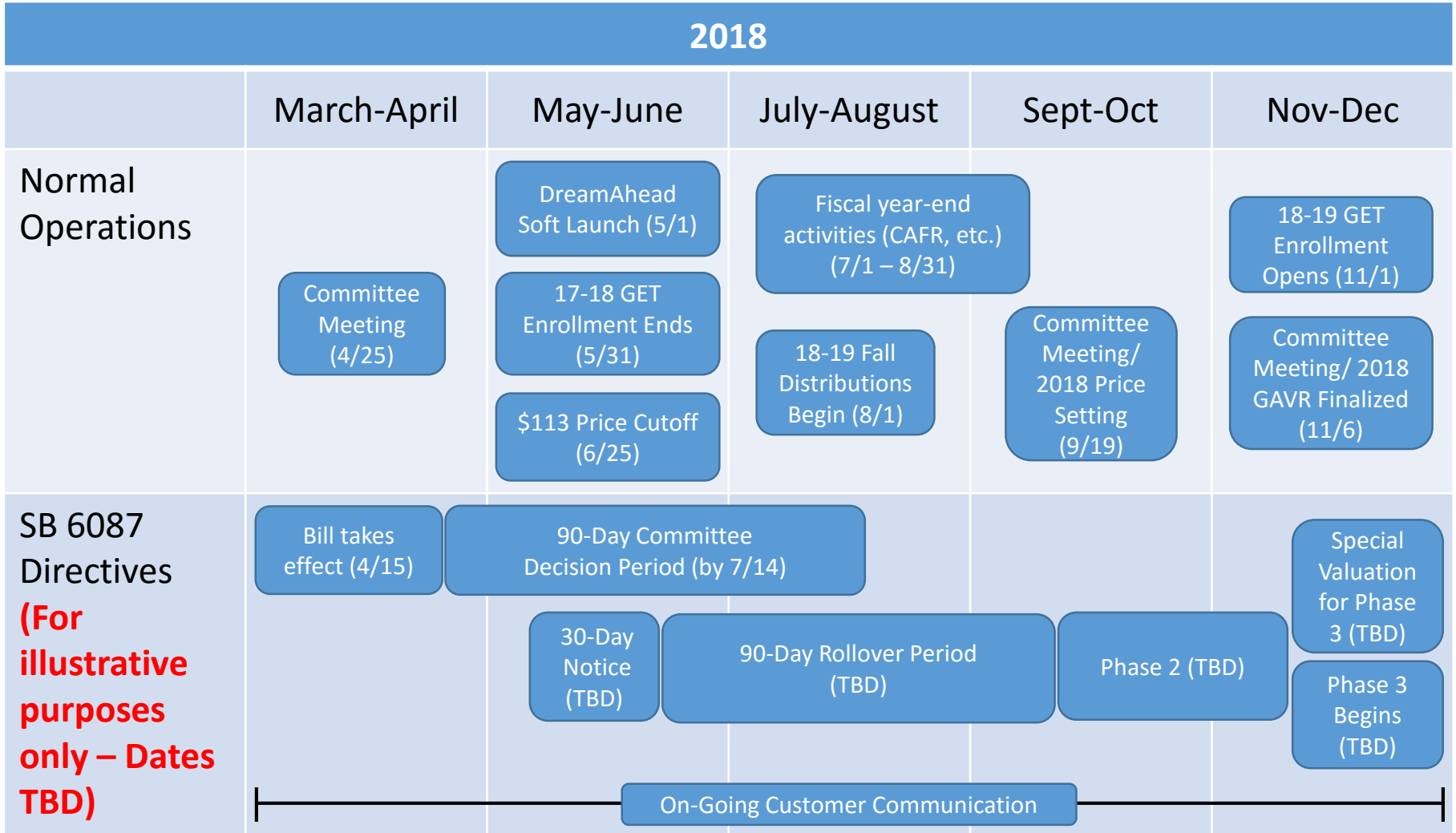
Description

Once Phase 2 is complete, conduct a new actuarial valuation measuring the GET funded status. If above 125% funded, issue up to 15% more units to all eligible accounts, to draw the funded status down to 125%.

Tasks

- Conduct new asset valuation of remaining units (purchased before July 1, 2015). Exclude unpurchased units on non-paid-in-full Custom Monthly contracts.
- Determine additional units to add to each eligible account to lower funded status to 125%.
- Add GET units based on remaining eligible units (not to exceed 15% of eligible units per account).

SB 6087 Implementation



SB 6087 Implementation

Next Steps

Set timeline for Phase 1 implementation (March-April)

Send initial customer notification including overview of SB 6087 and options available over the coming months (TBD)

Prepare for and set unit cash value price (TBD)

Follow-up communication to customers (TBD)

Open 90-day incentivized rollover window (TBD)

Public Comment

Share Your Thoughts

- Process
 - Sign-up sheet
 - Three minutes per individual
 - You can submit written comments
 - Send to GETInfo@wsac.wa.gov and include the subject line: “GET Committee Statement.”



Next Meeting

April 25, 2018

John A. Cherberg, Olympia
Senate Hearing Room 3
2:00 p.m. – 4:00 p.m.



Adjournment



CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 6087

65th Legislature
2018 Regular Session

Passed by the Senate March 8, 2018
Yeas 45 Nays 3

President of the Senate

Passed by the House March 7, 2018
Yeas 88 Nays 9

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SENATE BILL 6087** as passed by Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SENATE BILL 6087

AS AMENDED BY THE HOUSE

Passed Legislature - 2018 Regular Session

State of Washington **65th Legislature** **2018 Regular Session**

By Senators Mullet, Palumbo, Carlyle, Braun, Kuderer, Dhingra, Pedersen, Takko, McCoy, Liias, and Conway

Prefiled 01/05/18. Read first time 01/08/18. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to the Washington higher education tuition
2 payment and college savings programs; amending RCW 28B.95.020,
3 28B.95.030, and 28B.95.045; providing an effective date; and
4 declaring an emergency.

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

6 **Sec. 1.** RCW 28B.95.020 and 2016 c 69 s 2 are each amended to
7 read as follows:

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

10 (1) "Academic year" means the regular nine-month, three-quarter,
11 or two-semester period annually occurring between August 1st and July
12 31st.

13 (2) "Account" means the Washington advanced college tuition
14 payment program account established for the deposit of all money
15 received by the office from eligible purchasers and interest earnings
16 on investments of funds in the account, as well as for all
17 expenditures on behalf of eligible beneficiaries for the redemption
18 of tuition units and for the development of any authorized college
19 savings program pursuant to RCW 28B.95.150.

20 (3) "Advisor sold" means a channel through which a broker dealer,
21 investment advisor, or other financial intermediary recommends the

1 Washington college savings program established pursuant to RCW
2 28B.95.010 to eligible investors and assists with the opening and
3 servicing of individual college savings program accounts.

4 (4) "College savings program account" means the Washington
5 college savings program account established pursuant to RCW
6 (~~28B.95.010~~) 28B.95.085.

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

14 (6) "Contractual obligation" means a legally binding contract of
15 the state with the purchaser and the beneficiary establishing that
16 purchases of tuition units in the advanced college tuition payment
17 program will be worth the same number of tuition units at the time of
18 redemption as they were worth at the time of the purchase, except as
19 provided in RCW 28B.95.030 (7) and (8).

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

23 (8) "Eligible beneficiary" means the person designated as the
24 individual whose education expenses are to be paid from the advanced
25 college tuition payment program or the college savings program.
26 Qualified organizations, as allowed under section 529 of the federal
27 internal revenue code, purchasing tuition unit contracts as future
28 scholarships need not designate a beneficiary at the time of
29 purchase.

30 (9) "Eligible contributor" means an individual or organization
31 that contributes money for the purchase of tuition units, and for an
32 individual college savings program account established pursuant to
33 this chapter for an eligible beneficiary.

34 (10) "Eligible purchaser" means an individual or organization
35 that has entered into a tuition unit contract with the governing body
36 for the purchase of tuition units in the advanced college tuition
37 payment program for an eligible beneficiary, or that has entered into
38 a participant college savings program account contract for an
39 eligible beneficiary. The state of Washington may be an eligible

1 purchaser for purposes of purchasing tuition units to be held for
2 granting Washington college bound scholarships.

3 (11) "Full-time tuition charges" means resident tuition charges
4 at a state institution of higher education for enrollments between
5 ten credits and eighteen credit hours per academic term.

6 (12) "Governing body" means the committee empowered by the
7 legislature to administer the Washington advanced college tuition
8 payment program and the Washington college savings program.

9 (13) "Individual college savings program account" means the
10 formal record of transactions relating to a Washington college
11 savings program beneficiary.

12 (14) "Institution of higher education" means an institution that
13 offers education beyond the secondary level and is recognized by the
14 internal revenue service under chapter 529 of the internal revenue
15 code.

16 (15) "Investment board" means the state investment board as
17 defined in chapter 43.33A RCW.

18 (16) "Investment manager" means the state investment board,
19 another state, or any other entity as selected by the governing body,
20 including another college savings plan established pursuant to
21 section 529 of the internal revenue code.

22 (17) "Office" means the office of student financial assistance as
23 defined in chapter 28B.76 RCW.

24 (18) "Owner" means the eligible purchaser or the purchaser's
25 successor in interest who shall have the exclusive authority to make
26 decisions with respect to the tuition unit contract or the individual
27 college savings program contract. The owner has exclusive authority
28 and responsibility to establish and change the asset investment
29 options for a beneficiaries' individual college savings program
30 account.

31 (19) "Participant college savings program account contract" means
32 a contract to participate in the Washington college savings program
33 between an eligible purchaser and the office.

34 (20) "State institution of higher education" means institutions
35 of higher education as defined in RCW 28B.10.016.

36 (21) "Tuition and fees" means undergraduate tuition and services
37 and activities fees as defined in RCW 28B.15.020 and 28B.15.041
38 rounded to the nearest whole dollar. For purposes of this chapter,
39 services and activities fees do not include fees charged for the
40 payment of bonds heretofore or hereafter issued for, or other

1 indebtedness incurred to pay, all or part of the cost of acquiring,
2 constructing, or installing any lands, buildings, or facilities.

3 (22) "Tuition unit contract" means a contract between an eligible
4 purchaser and the governing body, or a successor agency appointed for
5 administration of this chapter, for the purchase of tuition units in
6 the advanced college tuition payment program for a specified
7 beneficiary that may be redeemed at a later date for an equal number
8 of tuition units, except as provided in RCW 28B.95.030 (7) and (8).

9 (23) "Unit cash value price" means the total value of assets
10 under management in the advanced college tuition payment program on a
11 date to be determined by the committee, divided by the total number
12 of outstanding units purchased by eligible purchasers before July 1,
13 2015, and any outstanding units accrued by eligible purchasers as a
14 result of the July 2017 unit rebase. For purposes of this
15 calculation, the total market value of assets shall exclude the total
16 accumulated market value of proceeds from units purchased after June
17 30, 2015.

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

28 **Sec. 2.** RCW 28B.95.030 and 2016 c 69 s 4 are each amended to
29 read as follows:

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

34 (2)(a) The Washington advanced college tuition payment program
35 shall consist of the sale of tuition units, which may be redeemed by
36 the beneficiary at a future date for an equal number of tuition units
37 regardless of any increase in the price of tuition, that may have
38 occurred in the interval, except as provided in subsections (7) and
39 (8) of this section.

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, except as provided in subsections
4 (7) and (8) of this section.

5 (c) The number of tuition units necessary to pay for a full
6 year's, full-time undergraduate tuition and fee charges at a state
7 institution of higher education shall be set by the governing body at
8 the time a purchaser enters into a tuition unit contract, except as
9 provided in subsections (7) and (8) of this section.

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

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

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

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

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

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

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

1 discount the minimum purchase price for certain kinds of purchases
2 such as those from families with young children, as long as the
3 actuarial soundness of the account is not jeopardized.

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

6 (7) For the 2015-16 and 2016-17 academic years only, the
7 governing body shall set the payout value for units redeemed during
8 that academic year only at one hundred seventeen dollars and eighty-
9 two cents per unit. For academic years after the 2016-17 academic
10 year, the governing body shall make program adjustments it deems
11 necessary and appropriate to ensure that the total payout value of
12 each account on October 9, 2015, is not decreased or diluted as a
13 result of the initial application of any changes in tuition under
14 section 3, chapter 36, Laws of 2015 3rd sp. sess. In the event the
15 committee or governing body provides additional units under chapter
16 36, Laws of 2015 3rd sp. sess., the committee and governing body
17 shall also increase the maximum number of units that can be redeemed
18 in any year to mitigate the reduction in available account value
19 during any year as a result of chapter 36, Laws of 2015 3rd sp. sess.
20 The governing body must notify holders of tuition units after the
21 adjustment in this subsection is made and must include a statement
22 concerning the adjustment.

23 (8) The governing body shall allow account owners who purchased
24 units before July 1, 2015, to redeem such units at the unit cash
25 value price provided that all the redeemed funds are deposited
26 immediately into an eligible Washington college savings program
27 account established by the governing body. Within ninety days of the
28 effective date of this section, the committee, in consultation with
29 the state actuary and state investment board, shall:

30 (a) Establish a period that is not less than ninety days during
31 which eligible purchasers may redeem units at the unit cash value
32 price for the purposes of this subsection and provide at least thirty
33 days' notice prior to the ninety-day window to all eligible account
34 holders about the redemption option; and

35 (b) Establish the unit cash value price. The committee, in
36 consultation with the state actuary and the state investment board,
37 may revalue the unit cash value price established in this subsection
38 (8)(b) up to three times during the ninety-day period in which
39 eligible purchasers may redeem units for the unit cash value price.

1 (9)(a) After the governing body completes the requirements of
2 subsection (8) of this section, the governing body shall adjust, by
3 March 1, 2019, all remaining unredeemed units purchased before July
4 1, 2015, as follows:

5 (i) First, the governing body shall take the difference between
6 the average unit purchase price in each individual's account and the
7 2016-17 unit payout value and increase the number of units in each
8 individual's account by a number of units of equivalent total value
9 at the 2017-18 unit purchase price, if the average unit purchase
10 price is more than the 2016-17 unit payout value; and

11 (ii) Second, after (a)(i) of this subsection is completed, the
12 governing body, with assistance from the state actuary, shall grant
13 an additional number of units to each account holder with unredeemed
14 and purchased units before July 1, 2015, in order to lower the best-
15 estimate funded status of the program to one hundred twenty-five
16 percent, subject to a limit of an increase of fifteen percent of
17 unredeemed and purchased units per account holder. The state actuary
18 shall select the measurement date, assumptions, and methods necessary
19 to perform an actuarial measurement consistent with the purpose of
20 this subsection.

21 (b) For the purpose of this subsection (9), and for account
22 holders with uncompleted custom monthly contracts, the governing body
23 shall only include purchased and unredeemed units before July 1,
24 2015.

25 (10) The governing body shall collect an amortization fee as a
26 component of each future unit sold whenever the governing body
27 determines amortization fees are necessary to increase the best-
28 estimate funded status of the program.

29 (11) The governing body shall promote, advertise, and publicize
30 the Washington advanced college tuition payment program. Materials
31 and online publications advertising the Washington advanced college
32 tuition payment program shall include a disclaimer that the
33 Washington advanced college tuition payment program's guarantee is
34 that one hundred tuition units will equal one year of full-time,
35 resident, undergraduate tuition at the most expensive state
36 institution of higher education, and that if resident, undergraduate
37 tuition is reduced, a tuition unit may lose monetary value.

38 ((+9)) (12) In addition to any other powers conferred by this
39 chapter, the governing body may:

- 1 (a) Impose reasonable limits on the number of tuition units or
2 units that may be used in any one year;
- 3 (b) Determine and set any time limits, if necessary, for the use
4 of benefits under this chapter;
- 5 (c) Impose and collect administrative fees and charges in
6 connection with any transaction under this chapter;
- 7 (d) Appoint and use advisory committees and the state actuary as
8 needed to provide program direction and guidance;
- 9 (e) Formulate and adopt all other policies and rules necessary
10 for the efficient administration of the program;
- 11 (f) Consider the addition of an advanced payment program for room
12 and board contracts and also consider a college savings program;
- 13 (g) Purchase insurance from insurers licensed to do business in
14 the state, to provide for coverage against any loss in connection
15 with the account's property, assets, or activities or to further
16 insure the value of the tuition units;
- 17 (h) Make, execute, and deliver contracts, conveyances, and other
18 instruments necessary to the exercise and discharge of its powers and
19 duties under this chapter;
- 20 (i) Contract for the provision for all or part of the services
21 necessary for the management and operation of the program with other
22 state or nonstate entities authorized to do business in the state;
- 23 (j) Contract for other services or for goods needed by the
24 governing body in the conduct of its business under this chapter;
- 25 (k) Contract with financial consultants, actuaries, auditors, and
26 other consultants as necessary to carry out its responsibilities
27 under this chapter;
- 28 (l) Solicit and accept cash donations and grants from any person,
29 governmental agency, private business, or organization; and
- 30 (m) Perform all acts necessary and proper to carry out the duties
31 and responsibilities of this program under this chapter.

32 **Sec. 3.** RCW 28B.95.045 and 2016 c 69 s 6 are each amended to
33 read as follows:

34 (1) The committee shall create an expedited process by which
35 owners can complete a direct rollover or investment change of a 529
36 account from a:

37 (a) ((a)) State-sponsored prepaid tuition plan to a state-
38 sponsored college savings plan((τ));

1 (b) ((a)) State-sponsored college savings plan to a state-
2 sponsored prepaid tuition plan((τ)); or
3 (c) ((a)) State-sponsored prepaid tuition plan or a state-
4 sponsored college savings plan to an out-of-state eligible 529 plan.
5 (2) The committee shall report annually to the governor and the
6 appropriate committees of the legislature on (a) the number of
7 accounts that have been rolled into the Washington college savings
8 program from out of state and (b) the number of accounts rolled out
9 of the Washington college savings program to 529 plans into other
10 states.

11 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
12 preservation of the public peace, health, or safety, or support of
13 the state government and its existing public institutions, and takes
14 effect April 15, 2018.

--- END ---

FINAL BILL REPORT

ESB 6087

Synopsis as Enacted

Brief Description: Modifying the Washington advanced college tuition payment and college savings programs.

Sponsors: Senators Mullet, Palumbo, Carlyle, Braun, Kuderer, Dhingra, Pedersen, Takko, McCoy, Liias and Conway.

Senate Committee on Higher Education & Workforce Development
House Committee on Higher Education
House Committee on Appropriations

Background: Qualified tuition plans, referred to as 529 plans, are plans authorized by the United States Internal Revenue Service and operated by a state or educational institution. These plans provide tax advantages and other potential incentives to make it easier to save for college and other post-secondary training for a designated beneficiary, such as a child or grandchild. There are two 529 plans authorized in the state of Washington: the Guaranteed Education Tuition (GET) Program and the Washington College Savings Plan (WCSP).

GET. The GET Program is Washington's 529 prepaid college tuition plan that was established in 1998. As a prepaid tuition program, GET has a participant payout structure tied to in-state tuition rather than market-based investment returns. Historically, 100 GET units have equaled one year of resident undergraduate tuition and state-mandated fees at the state's highest-priced public university. GET accounts can be used at nearly any public or private college in the country. Families can buy between 1 and 500 units per child, and the account benefits from tax-free growth and withdrawals.

The GET Program is administered by the GET Committee. The GET Committee is comprised of the State Treasurer, the Director of the Office of Financial Management, the Executive Director of the Student Achievement Council, and two citizen members. At the Legislature's direction, the GET Committee has maintained the \$117.82 unit payout value for the 2015-16 and 2016-17 academic years. The committee also voted to delay new program enrollments and new unit purchases effective July 1, 2015, for a period of two years or less. Current statute required the GET Committee to reopen the GET Program to new enrollments on July 1, 2017.

Historically, the average annual increase in tuition at public universities nationwide has been 5 percent. During the 2014-15 school year, the average increase for public universities was 2.9 percent. Tuition growth at the most expensive public university in Washington state has

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

remained flat since 2011-12, rising to \$11,782 for three academic years between 2012 and 2015, before being reduced to \$11,245 in 2015-16 and \$10,171 in 2016-17. GET credits currently payout based on a \$11,782 tuition cost, even though the highest in-state tuition is \$10,171 for the 2016-17 school year. The payout value for GET credits has been 117.82 per credit since the 2012-13 school year.

As of June 30, 2016, the present value of future obligations to the GET Program was \$1.7 billion and the present value of the fund is \$2.3 billion. The program was 135.6 percent funded as of June 30, 2016. As of January 31, 2017, the total assets in the GET Program were \$2,098,388,156 billion and the total number of GET units purchased and unredeemed were \$14,988,862 million. Based on these figures, the value of a GET credit is \$140.00 per credit.

WCSP. The WCSP was authorized during the 2016 legislative session. The money contributed to a WCSP can be invested in stock or bond mutual funds or in money market funds, and the earnings are not subject to federal tax as long as the money is used only for qualified college expenses. Direct sold savings programs allow states to offer college savings plans through which residents and, in many cases, non-residents can invest without paying a sales fee, known as a load. This type of plan, which can be bought directly from the plan's sponsor or program manager without the assistance of a broker, is generally less expensive because it waives or does not charge sales fees that may apply to broker-sold plans. Unlike the GET program, where tuition units have a guaranteed value when they are redeemed, the state of Washington does not guarantee a specific outcome for an account holder's asset. The District of Columbia and 38 states offer direct sold savings programs. Washington and Wyoming are the two states that currently do not offer direct sold programs. The GET Committee plans to have Washington's direct sold program available to consumers in early 2018.

Summary: Unit Cash Value Price. Defines the term unit cash value price as the total value of assets under management in the GET account divided by the total number of outstanding credits purchased by eligible purchasers in accounts opened before July 1, 2015. The committee on advanced tuition payment, in consultation with the state actuary and state investment board, must establish the unit cash value price. Eligible GET account holders are authorized to redeem units at the unit cash value price as long as the funds are immediately deposited into WCSP during the redemption period defined by the committee. GET credits are not authorized to be redeemed at the unit cash value price when they are deposited into an out-of-state eligible 529 plan.

GET Account Rebase. The GET committee is required, after the closure of the period to redeem units for the cash value price period ends, to offer a rebase of the number of units in an individual's GET account for all remaining account holders with units purchased prior to July 1, 2015. The number of units an account holder can receive under the rebase is limited to a maximum of an additional 15 percent of their existing units.

Amortization Fee. The GET committee is authorized to collect an amortization fee as a component of each future unit sold if the committee determines the fees are necessary to increase the funded status of the program.

Votes on Final Passage:

Senate	43	3	
House	88	9	(House amended)
Senate	45	3	(Senate concurred)

Effective: Ninety days after adjournment of session in which bill is passed.