## SENATE BILL REPORT SB 6832

As Reported By Senate Committee On: Higher Education, February 07, 2008

Title: An act relating to career colleges' participation in the opportunity grant program.

Brief Description: Regarding career colleges' participation in the opportunity grant program.

Sponsors: Senators Shin, Schoesler, Delvin, Kilmer, Jacobsen, Rasmussen, Rockefeller and McAuliffe.

## **Brief History:**

**Committee Activity:** Higher Education: 2/4/08, 2/6/08, 2/7/08 [DPS].

## SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** That Substitute Senate Bill No. 6832 be substituted therefor, and the substitute bill do pass.

Signed by Senators Shin, Chair; Kilmer, Vice Chair; Delvin, Ranking Minority Member; Berkey, Schoesler and Sheldon.

**Staff:** Aldo Melchiori (786-7439)

**Background:** In 2007 the Legislature created the Opportunity Grant Program (Program). The State Board for Community and Technical Colleges implements the Program. Students enrolled in the Program are eligible to receive funding for tuition and fees at the public community and technical college rate, plus \$1,000 per academic year for books, tools, and supplies. To qualify, a student's income must not exceed 200 percent of the federal poverty level, and the student must have financial need. A student must make satisfactory progress and maintain a cumulative 2.0 grade point average for continued eligibility. Funding is limited to 45 credits or the equivalent or three years, whichever comes first.

The Program is available to Washington residents enrolled in "opportunity grant-eligible programs of study" at "qualified institutions of higher education" (community and technical colleges, private career schools, and Washington State Apprenticeship and Training Council – approved apprenticeship programs). To be recognized as qualified institutions of higher education, private career schools must be members of an accrediting agency recognized by the Higher Education Coordinating Board (HECB). Public qualified institutions of higher education receive an enhancement of \$1,500 per full-time equivalent student enrolled in the Program. These funds are used for individualized support services necessary for student success.

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.

**Summary of Bill (Recommended Substitute):** Private, as well as public, qualified institutions of higher education receive an enhancement of \$1,500 per full-time equivalent student enrolled in the Opportunity Grant Program. To be "qualified institutions of higher education" private career schools must be: members of an accrediting association recognized by the United States Department of Education; eligible to administer federal financial aid programs; and approved by the appropriate state agency. Private career colleges are prohibited from using the enhancement for administration or overhead expenses.

**EFFECT OF CHANGES MADE BY HIGHER EDUCATION COMMITTEE** (**Recommended Substitute**): The definition of "qualified institutions of higher education" was clarified to assure that the institutions were properly accredited and recognized. The restrictions on how the enhancement could be spent was added.

Appropriation: None.

Fiscal Note: Requested on January 31, 2008.

Committee/Commission/Task Force Created: No.

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

**Staff Summary of Public Testimony on Original Bill:** PRO: Some private career colleges are being excluded from this program for no good reason. Opportunity grants are for very needy students, and they should be given the freedom to choose the college they want. This is a valuable tool for students to achieve success. Six additional private vocational colleges would become eligible to offer opportunity grants.

CON: This would set a new precedent for the state, if it allowed out-of-state private career colleges to obtain cash enhancements for admitting students with opportunity grants. This is a much broader policy shift that needs further careful consideration. State dollars should not be sent to private career colleges to supplement their operating budgets.

**Persons Testifying:** PRO: Senator Shin, prime sponsor; Gena Wikstrom, NW Career Colleges Federation; Karen McGrath, Pima Medical Institute; Reed Hackett, DeVry University.

CON: Chris Reykdal, SBCTC.