

## Appropriations Subcommittee on Education

### ESSB 6436

**Brief Description:** Creating a work group to make recommendations for the continued viability of the college bound scholarship program.

**Sponsors:** Senate Committee on Higher Education (originally sponsored by Senators Frockt, Bailey, Kohl-Welles and Hargrove).

#### Brief Summary of Engrossed Substitute Bill

- Finds that emerging data on the College Bound Scholarship (CBS) Program indicates that it is a success, but that the program faces long-term challenges.
- Creates a CBS program workgroup consisting of 10 members from the Legislature and various higher education stakeholders.
- Requires the workgroup to submit a report to the Governor and appropriate committees of the Legislature by December 31, 2014. The report shall include recommendations for making the program viable, including but not limited to funding.

**Hearing Date:** 2/27/14

**Staff:** Catrina Lucero (786-7192).

#### **Background:**

The College Bound Scholarship (CBS) Program was created in 2007 by Engrossed Second Substitute Senate Bill 5098 to provide financial assistance to low-income students. The scholarship is open to 7th and 8th graders who sign a pledge to graduate from high school with a 2.0 GPA or higher, have no felony convictions, and have a median family income (MFI) of 65 percent state MFI or below at the time of graduation. The CBS award amounts are calculated as the difference between public institution tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives, plus \$500 for books and

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materials. College Bound Scholarship students are encouraged to complete the Free Application for Federal Student Aid (FAFSA) by the priority date of February 1 to increase the likelihood they will receive the state need grant (SNG) or other financial aid.

Five cohorts of students have signed up for the CBS program. Cohort size has increased from an initial 2006-07 cohort of 16,063 students to an estimated 2012-13 cohort of 29,111 students. This increase reflects both an increase in eligible students and an increase in the percent of eligible students that sign up for the program. The first CBS program cohort enrolled during the 2012-13 academic year. There are approximately 7,106 student and two cohorts currently enrolled and receiving a CBS.

The 2013-15 operating budget appropriated \$36,036,000 for scholarship payments. The budget also included language that required students eligible for the CBS to be prioritized for the SNG and be awarded the maximum award they were eligible for.

The program is administered by the Washington Student Achievement Council (WSAC).

### **Summary of Bill:**

The Legislature finds that emerging data on the CBS program indicates that it is a success, but that the program faces long-term challenges. It is the intent of the Legislature to create a work group to make recommendations to ensure the program is viable, productive, and effective.

A CBS program workgroup is created with 10 members to be appointed by June 30, 2014, consisting of:

- two members from the House of Representatives, one from each major caucus;
- two members from the Senate, one from each major caucus;
- one member from the four-year institutions to be selected by the Council of Presidents;
- one member from the two-year institutions of higher education to be selected by the State Board for Community and Technical Colleges;
- one member from a private, nonprofit higher education institution to be selected by an association of independent nonprofit baccalaureate degree-granting institutions;
- one member from WSAC;
- one member from a private nonprofit college scholarship organization; and
- one nonlegislative member to be appointed by the Governor.

The workgroup must submit a report to the Governor and appropriate committees of the Legislature by December 31, 2014. The report shall include recommendations for making the program viable including, but not limited to, funding.

The workgroup must meet at least once, but no more than five times. It is staffed jointly by Senate Committee Services and the Office of Program Research in the House of Representatives. The Office of Financial Management will present data as needed.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.