

# SENATE BILL REPORT

## E2SHB 2302

---

As Reported By Senate Committee On:  
Higher Education, February 22, 1996

**Title:** An act relating to the Washington state student scholarship partnership program.

**Brief Description:** Establishing the Washington state student scholarship partnership program.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Carlson, Jacobsen, Mason and Patterson).

**Brief History:**

**Committee Activity:** Higher Education: 2/20/96, 2/22/96 [DP-WM].

---

### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Bauer, Chair; Hale, McAuliffe, Prince, Rasmussen, Sheldon, West and Wood.

**Staff:** Jennifer Hanlon (786-7784)

**Background:** There are four programs designed to match state funds with private donations in order to attract exemplary faculty and graduate students to Washington's public colleges and universities. The Distinguished Professorship and Graduate Student Fellowship programs match state funds with private donations to create endowed positions at the public baccalaureate institutions.

In the Community College Exceptional Faculty Awards program, state funds and private donations are equally matched. This program rewards outstanding service by individual faculty members and funds faculty development activities. Community college and technical college foundations are permitted to participate in this program.

Individuals engaged in research into diabetes, Parkinson's disease, osteoporosis, and other medical disorders receive funding and support from the Warren G. Magnuson Institute for Biomedical Research and Health Professions Training. The earnings on an endowment created when state funds were doubly matched by private donations or federal funds and other methods are used to fund the institute.

**Summary of Bill:** The Washington State Student Scholarship Partnership program is created to assist public and independent colleges, universities, and career schools to raise aid money for needy and meritorious students from private sources. The program is administered by the Higher Education Coordinating Board.

The duties of the board are described. These include the adoption of rules, deadlines, and procedures; the determination of minimum and maximum scholarship amounts per needy

student; the distribution of state matching funds to participating public institutions or their foundations; and the distribution of state matching funds to students at independent colleges and private career schools.

To qualify for the program, participating institutions and foundations must provide matching funds received after the date this legislation takes effect. In addition, the private matching money must supplement the level of gift aid from private sources awarded to students during the 1995-96 academic year.

The board adopts an annual allocation system to reserve moneys for participating institutions. Some of the components of the allocation system are described. The board adopts policies that maximize the distribution of trust funds, and matching moneys. The board also adopts a mechanism to reallocate unused state funds. In addition, the board is required to adopt contracts with participating institutions and foundations, and to prepare and distribute an annual report on the results of the program.

Definitions are adopted for students who are eligible to receive funding under the program and for institutions that may participate in the program. Scholarship recipients are encouraged to repay the scholarship in order to help other needy students. Legal requirements for participating foundations are described. A trust fund is created in the State Treasurer's office for receipt of any state matching funds appropriated by the Legislature for the program.

**Appropriation:** None.

**Fiscal Note:** Requested on January 24, 1996.

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

**Testimony For:** This program would help increase access to higher education and serve as an incentive for foundations and donors. This is a positive mood in the direction of incentive-based funding. Institutions would appreciate the opportunity to double aid to students, but the program needs funding. Institutions are encouraged by the Legislature's intent to focus on needy and meritorious students. It is important to provide financial aid to students who are often overlooked. This HECB will be happy to administer.

**Testimony Against:** None.

**Testified:** Rep. Don Carlson, prime sponsor; Martha Lindley, Central Washington University; Kim Merriman, The Evergreen State College; Susan Patrick Higher Education Coordinating Board; Tom Borland, Washington Student Lobby.