

HOUSE BILL REPORT

HB 1661

As Reported By House Committee On:

Higher Education
Appropriations

Title: An act relating to the Washington scholars program.

Brief Description: Creating Washington scholars-alternates awards.

Sponsors: Representatives Edmonds, Carlson, Kenney, Kagi, Esser, Wood, Lantz and Ogden.

Brief History:

Committee Activity:

Higher Education: 2/9/99, 2/16/99 [DPS];

Appropriations: 3/3/99, 3/6/99 [DP2S(w/o sub HE)].

Brief Summary of Second Substitute Bill

- Modifies the Washington Scholars program to include the identification of one Washington scholars-alternate from each legislative district, in addition to the three Washington scholars currently identified.
- Requires Washington scholars to demonstrate, in a timely manner, that they will use their grants the following fall term or lose them. Forfeited grants are then awarded to the alternates.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Carlson, Republican Co-Chair; Kenney, Democratic Co-Chair; Lantz, Democratic Vice Chair; Radcliff, Republican Vice Chair; Dunn; Edmonds; Esser and Gombosky.

Staff: Sherie Story (786-7120).

Background:

The Washington Scholars program was established by the 1981 Legislature. The program purposes include: recognizing and honoring the accomplishments of three high school seniors from each legislative district; encouraging and facilitating privately-funded scholarship awards; and stimulating recruitment of outstanding students to Washington public and independent colleges and universities. High school principals nominate the top one percent of the graduating senior class based upon academic accomplishments, leadership, and community service.

Scholars may receive a grant for undergraduate study at Washington public or independent colleges and universities. Renewal each year is contingent upon maintaining a 3.30 GPA. The state grant for scholars attending independent schools is contingent upon the institution's agreement to match the award with either money or a tuition waiver. The maximum yearly grant amount is limited to the full-time, resident, undergraduate tuition and fees at the University of Washington. In 1998-99 the maximum grant amount is \$3,396.

The total appropriation for the Washington Scholars program for the 1997-99 biennium is \$2,276,000. This appropriation level reflects a usage pattern of about 65 percent, meaning that typically about 65 percent of Washington scholars choose to enroll in Washington schools and use their scholarships.

Summary of Substitute Bill:

The Washington Scholars program is modified to include the identification of three Washington scholars-alternates from each legislative district, beginning in the year 2000. The alternates are in addition to the three Washington scholars currently identified. If the recipients of the Washington scholars' awards, after receiving their awards in the spring, do not demonstrate in a timely manner that they will be using their grants to enroll in a Washington state college or university during the subsequent fall term or if they withdraw from college during their first year, then they lose their grants. The forfeited grants may be awarded to Washington scholars-alternates from the same legislative district. Washington scholars-alternates who receive grants must also demonstrate in a timely manner that they will enroll in a Washington college or university during the next available term. The Higher Education Coordinating Board administers the program and may grant waivers to the enrollment requirements based on exceptional mitigating circumstances.

Substitute Bill Compared to Original Bill:

Changes to the program are made effective beginning with the scholars selected in the year 2000. The one year time period provided to the Higher Education Coordinating Board for awarding grants to Washington scholars-alternates is clarified to be one calendar year. The Higher Education Coordinating Board is given authority to accept

appeals and grant waivers to the enrollment requirements that are established for Washington scholars, based on exceptional mitigating circumstances of individual grant recipients.

Appropriation: None.

Fiscal Note: Available on original bill.

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

Testimony For: The origin of this bill was a constituent who is the parent of a Washington scholar who chose to go to Stanford. He was concerned that because of his child's choice, this scholarship opportunity would be lost to the students from his district. Because of the current focus on opportunity and access to higher education and because the attrition rate for the use of this scholarship is 35 percent, the Legislature should take steps to encourage further use of this opportunity for the students of Washington by establishing alternates for the scholarships. The Higher Education Coordinating Board supports the extension of opportunity to higher education students reflected in this bill, but would request an amendment clarifying when the changes would become effective. Because of the timing of selecting scholars, the bill should be made effective with the scholars selected in 2000. Also, the board would like the authority to waive the enrollment requirements for exceptional mitigating circumstances such as illness or family emergencies. Right now there are about 550 students nominated each year. Narrowing that group down to the final selections is a very difficult process. Many of our principals are faced with the difficult dilemma about whether to nominate the candidate who is a National Merit Scholar and they know is going to Harvard or Yale or to nominate someone else from the top one percent. So, there clearly are selection dilemmas related to who might be going out of state or staying in state. By setting up a system of alternate scholars, this bill helps address the high school principals' selection process dilemma.

Testimony Against: None.

Testified: Rep. Edmonds, prime sponsor; Bruce Botka, Higher Education Coordinating Board; and Brian Barker, Association of Washington School Principals.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Higher Education. Signed by 27 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Boldt; Carlson; Clements; Cody; Gombosky; Grant; Kagi; Keiser; Kenney; Linville; Lisk; Mastin; McIntire; McMorris; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

Minority Report: Without recommendation. Signed by 4 members: Representatives Benson; Crouse; Lambert and Mulliken.

Staff: Mary Alice Grobins (786-7118).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Higher Education: The number of Washington scholars-alternates is reduced to one alternate selected from each legislative district.

Appropriation: None.

Fiscal Note: Available on original bill.

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

Testimony For: (Substitute bill) The impetus for this proposal came from a recipient of a Washington scholars award who went to an out-of-state institution of higher education and therefore the award was not used. The program is funded based upon its partial use - only about 65 percent of recipients actually use the award. If there are alternates, some of them will also probably leave the state for college, and for that reason the Higher Education Coordinating Board's fiscal note assuming 100 percent award may be too high. This bill is a fine tuning of an existing program. There is a pool of 550 candidates from the top 1 percent of high school seniors. The fiscal impact has been estimated based upon 100 percent usage of the awards. The existing program gives recipients three years to begin using their awards.

Testimony Against: None.

Testified: Representative Edmonds, prime sponsor; Brian Barker, Association of Washington School Principals; and Bruce Botka, Higher Education Coordinating Board.