

SENATE BILL REPORT

SB 5404

As Reported By Senate Committee On:
Higher Education, February 27, 2001

Title: An act relating to higher education scholarships.

Brief Description: Creating the Washington promise scholarship.

Sponsors: Senators Kohl-Welles, Eide, McAuliffe, Shin, Patterson, Regala, Costa, Finkbeiner, Haugen and Rasmussen.

Brief History:

Committee Activity: Higher Education: 2/5/01, 2/27/01 [DPS-WM].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 5404 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Carlson, Horn, Jacobsen, McAuliffe, Parlette, Sheahan and B. Sheldon.

Staff: Jean Six (786-7423)

Background: The 1999-01 biennial budget created the Promise Scholarship for two years and provided the funding to award two-year scholarships to meritorious high-school seniors whose families earn no more than 135 percent of the median family income.

In the 1999-2000 academic year, 2207 scholarships, valued at \$1225 annually, were awarded to students in the top 10 percent of their class. In the 2000-2001 academic year, the award amount increased to \$1542 “ more than 90 percent of the cost of tuition at a Washington community college. Based on a top 15 percent class standing or 1200 score on the Scholastic Aptitude Test (SAT) in their first attempt, 3473 new recipients are also using the Promise Scholarship to attend many of the public and private colleges and universities in the state of Washington.

Unless the scholarship is established in law or included in the 2001-03 budget and provided funding, it will end on June 30, 2001. Current budget language requires the Higher Education Coordinating Board to evaluate the impact and effectiveness of the program and report its findings to the Governor and the Legislature by November 1, 2001.

Summary of Substitute Bill: Promise Scholarships are awarded to students who graduate from public and approved private high schools or who have participated in home-based instruction and who meet both an academic and financial eligibility criteria. Academic criteria require a standing in the top 10 percent of the graduating class, a 1200 score on the SAT I or a score of 27 on the ACT in the first attempt. Financial criteria requires the student’s family income to not exceed 135 percent of the state median family income adjusted

for family size, as determined by the Higher Education Coordinating Board (HECB) for each graduating class. Recipients must be legal residents of the United States residing in the state of Washington. Recipients may use the scholarship to attend schools participating in the border county opportunity project that offer a course of study unavailable at an institution in Washington State.

In designing the program, the HECB must establish a number of parameters including but not limited to the following: (1) Promise Scholarships are not intended to supplant other forms of financial aid and must not exceed the full-time annual resident tuition rates at the community colleges; (2) the Scholarship is for undergraduate course work at accredited in-state postsecondary institutions; and (3) the continued receipt of the scholarship is based on satisfactory progress standards.

The Office of the Superintendent of Public Instruction provides information to the HECB that is necessary for implementation of the program.

The Washington Promise Scholarship account, created in the custody of the State Treasurer, consists of appropriated funds, private contributions and scholarship refunds and must retain its interest earnings.

Substitute Bill Compared to Original Bill: Students who receive the promise scholarship must be in the top 10 percent of their graduating class, achieve on their first attempt at least a cumulative score of 1200 on the SAT I, or a composite score of 27 on the ACT. Recipients must be legal residents of the United States residing in Washington State. Recipients may use the scholarship to attend a college or university included in the border county opportunity project that offers a course of study not available in the state of Washington.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: The Governor's budget includes an additional \$8 million to continue the scholarship. It is important to reward high academic achievement. Washington students under education reform are going to be well-prepared for college work. The WASL criteria are no longer included because it could double the cost of the bill. Should the bill include ACT as well as SAT? What about foreign students graduating from Washington high schools? What about illegal aliens? HECB believes in the program more strongly after two years of operation. It is important to fund the SNG prior to funding the promise scholarship. The HECB has allowed the high schools to make local decisions about who their qualified graduates are. WSL believes the promise scholarship provides increased opportunity. The financial aid of this merit scholarship is the one that really helps. Many students already work many hours a week. This scholarship allows students to attend the college of their choice. Financial need limits options. Courts will rule on which institutions are defined as sectarian. OSPI and AWSP prefer the connection to the Certificate of Mastery as an incentive for students and teachers to master the WASL. Too many students are "blowing off" the competency exams.

Testimony Against: None.

Testified: Sarah Simpson, Jim Crawford, OFM; Bruce Botka, HECB; Erin Smith, WSL, WSU; Samreth Sam, SPSCC student; Jacob Waunch, Centralia Community College student; Dan Gomez, PLU student; Violet Boyer, WAICU; Jerry Sheahan, ACLU; Bob Butts, Gail Pauly, OSPI; Sara Fox, TESC.