

SENATE BILL REPORT

SHB 1345

As Reported By Senate Committee On:
Early Learning, K-12 & Higher Education, March 31, 2005
Ways & Means, April 4, 2005

Title: An act relating to eligibility for state financial aid for part-time students.

Brief Description: Allowing state financial aid for part-time students.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Hasegawa, Kenney, Takko, Sells, Jarrett, Roberts, Ericks, Haler, Williams, Moeller, Appleton, Morrell, McCoy, Dunn, Kagi, McDermott, Santos and Chase).

Brief History: Passed House: 3/09/05, 96-0.

Committee Activity: Early Learning, K-12 & Higher Education: 3/28/05, 3/31/05 [DPA-WM, w/oRec].

Ways & Means: 4/4/05 [DPA(EKHE), w/oRec].

SENATE COMMITTEE ON EARLY LEARNING, K-12 & HIGHER EDUCATION

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

Signed by Senators McAuliffe, Chair; Pridemore, Vice Chair; Weinstein, Vice Chair; Schmidt, Ranking Minority Member; Berkey, Delvin, Eide, Kohl-Welles, Mulliken, Pflug, Rasmussen, Rockefeller, Schoesler and Shin.

Minority Report: That it be referred without recommendation.

Signed by Senator Benton.

Staff: Heather Lewis-Lechner (786-7448)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended by Committee on Early Learning, K-12 & Higher Education.

Signed by Senators Prentice, Chair; Doumit, Vice Chair; Fraser, Vice Chair; Parlette, Pflug, Pridemore, Regala, Roach, Rockefeller, Schoesler and Thibaudeau.

Minority Report: That it be referred without recommendation.

Signed by Senators Zarelli, Ranking Minority Member; and Brandland.

Staff: Richard Ramsey (786-7412)

Background: For nearly every state and federal financial aid program, students must be enrolled at least half-time to be eligible for aid. Federal guidelines permit higher education institutions to define what "half-time" means. In Washington, it means students are enrolled for at least six credits per quarter or semester.

This standard is contained in federal guidelines for subsidized loans and in rules adopted by the Higher Education Coordinating Board for the State Need Grant, Educational Opportunity Grant, Promise Scholarship, and Work Study financial aid programs. Only the federal Pell Grant provides aid for students attending less than half-time. However, there is a special calculation for these students that further reduces the amount of the award.

During the 2003-04 academic year, nearly 48,000 resident undergraduate students in community and technical colleges and an additional 3,200 students at public four-year institutions were enrolled on less than a half-time basis.

The State Need Grant is the largest state-funded financial aid program. For the 2004-05 academic year, \$125 million supports about 55,500 students attending public and independent higher education institutions. In addition to at least half-time attendance, students must have a family income of no more than 55 percent of the state median family income (\$36,500 for a family of four in 2004) and be enrolled in a degree or certificate program.

Summary of Amended Bill: The HECB is authorized to develop a pilot project that would expand eligibility for the State Need Grant program to students who are enrolled in a participating Washington institution of higher education for at least four credit hours per quarter, or the semester or clock-hour equivalent. The HECB may select up to ten colleges, including both community and technical colleges, or universities to participate in the pilot project. The project begins in the Fall 2005 academic term and expires June 30, 2007. The HECB must report back to the Legislature on the results of the pilot project. A list of minimum requirements for the what must be reported back is included in the bill.

Amended Bill Compared to Original Bill: The original bill expanded eligibility for the State Need Grant program statewide to students who are enrolled in a Washington institution of higher education for at least four credit hours per quarter, or the semester or clock-hour equivalent, rather than for only a limited time through a pilot project at limited institutions. The null and void clause is removed.

Appropriation: None.

Fiscal Note: Available for the Substitute House Bill. Requested for the amended version.

Committee/Commission/Task Force Created: No.

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

Testimony For (Early Learning, K-12 & Higher Education): This bill accomplishes so much with so little. By changing the number of hours a student must take to be eligible, it has a broad impact on working families who need to upgrade their skills and pursue higher education. Many of these people may not be pursuing a degree but need a few courses to upgrade their job skills in order to move up their current career ladder. This bill would help lessen the burden on these families, by allowing them to only have to take one class per quarter so that they can still work and pay other costs in their lives while going to school. We would like to see the null and void clause removed. There are two different ways of looking at the fiscal impact of this bill, in the way I look at it, the universe of students that are qualified for financial aid is expanded under this bill but there is no required appropriation. There will

never be enough financial aid funding but these students at least need to be eligible to apply regardless of how much funding is available.

The SBCTC supports this bill in order to help increase access for working families to higher education who because of work, family and barriers that might not be able to attend college half or full time. When looking at how Washington compares nationally, Washington has a low percentage of working class adults attending college. Improving access opportunities for those people is in the best interests of our state. We need to assist people who want to both work and better themselves through higher education.

In light of the enhancement of the state need grant found in the proposed budget; their really is not the kind of surplus or flexibility to accommodate what could possibly be a not insignificant increase in service as proposed by this bill. However, there is a gap in current service that would be addressed by this bill for working adults who are attending school part-time and we would be in full support if there was additional funding for this bill and for this expanded service. One option right now might be a pilot project along these lines in order to answer some of the questions we have about what the demand is and what the goals of the students who might participate are so that we could better understand the costs.

Testimony Against (Early Learning, K-12 & Higher Education): None.

Who Testified (Early Learning, K-12 & Higher Education): PRO: Representative Hasegawa, prime sponsor; Nani Jackins Park, SBCTC; Jamie Corning, Assoc. Students at UW; Madeleine Thompson, Workforce Training and Education Coordinating Board; Greg Scheiderer, Independent Colleges of Washington; Bruce Botka, HECB.

Testimony For (Ways & Means): The bill is intended to serve low-wage, family heads, often single parents whose time does not allow them to take more than a single class. The bill helps those students who would not otherwise be able to access higher education. Improving access to higher education is in the state's interest.

Testimony Against (Ways & Means): None.

Who Testified (Ways & Means): PRO: Representative Bob Hasegawa, prime sponsor; Nani Jackins Park, SBCTC.