
SUBSTITUTE HOUSE BILL 2041

State of Washington

64th Legislature

2015 Regular Session

By House Higher Education (originally sponsored by Representatives Hansen and Pollet)

READ FIRST TIME 02/20/15.

1 AN ACT Relating to the creation of a pilot project on
2 performance-based scholarships in the state need grant; adding a new
3 section to chapter 28B.92 RCW; creating a new section; and providing
4 an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature recognizes that the
7 high cost of attending an institution of higher education is often a
8 barrier for low-income students. Traditional financial aid helps
9 cover tuition and fees, but students have additional costs. These
10 additional costs such as living expenses, transportation, and child
11 care, may cause students to devote more time to work, which can
12 interfere with academic performance.

13 (2) The legislature finds that institutions of higher education
14 in other states are participating in innovative pilot projects for
15 performance-based scholarships. The early findings of these small
16 pilot projects are promising and indicate that performance-based
17 scholarships may help improve student academic performance. The
18 legislature finds this research compelling and intends to pursue
19 additional research by conducting a small pilot project on
20 performance-based scholarships within the state need grant.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.92

2 RCW to read as follows:

3 (1) The state need grant performance-based scholarship pilot
4 project is created. The pilot project has two purposes:

5 (a) To determine whether additional financial aid improves
6 student academic performance and completion rates without performance
7 benchmarks; or

8 (b) To determine if performance benchmarks need to be attached to
9 additional financial aid in order to increase academic performance.

10 (2) The council shall, in consultation with the state board for
11 community and technical colleges, administer the state need grant
12 performance-based scholarship pilot project and shall select at a
13 minimum, two institutions of higher education, one public
14 baccalaureate institution and one community or technical college, to
15 participate in the pilot project.

16 (3)(a) The council shall establish the pilot project as a
17 randomized controlled trial in which three cohorts from students who
18 receive the state need grant at the beginning of the 2016 academic
19 year for each of the participating institutions are randomly
20 selected. The cohorts must consist of a sufficient number of students
21 to produce a statistically valid response. The council may contract
22 with a third-party consultant in creating the pilot project.

23 (b) One cohort of students at each of the participating
24 institutions shall receive their state need grant aid and any
25 additional financial aid they qualified for, but will not receive a
26 performance-based scholarship. These students shall be the control
27 cohorts.

28 (c) The second cohort of students at each of the participating
29 institutions shall receive the performance-based scholarship without
30 performance measures attached. These students shall be the first
31 performance cohorts. Students in the first performance cohorts shall
32 receive the scholarship money, in addition to the state need grant
33 and any other financial aid they receive, as long as the students
34 continue to receive the state need grant.

35 (d) The third cohort of students at each of the participating
36 institutions shall receive the performance-based scholarship with
37 performance measures attached. These students shall be the second
38 performance cohorts. Students in the second performance cohorts shall
39 receive the scholarship money, in addition to the state need grant
40 and any other financial aid they receive, as long as the students

1 continue to receive the state need grant and achieve the following
2 additional performance standards:

3 (i) A minimum grade point average of 3.0, or other grade point
4 average the council deems appropriate as long as the grade point
5 average is higher than 2.0.

6 (ii) Successfully complete a minimum of fifteen credits or
7 equivalent clock hours for each quarter or semester the student is
8 receiving the state need grant, or other minimum credit standard that
9 the council deems appropriate.

10 (4) The council shall distribute the scholarship money at the
11 beginning of each quarter or semester that the student is receiving
12 the state need grant, or at such other time as the council deems
13 appropriate. The scholarship money shall be awarded directly to the
14 student to use as the student chooses. The amount of each scholarship
15 shall be determined by the level of appropriation received for this
16 purpose and the number of students selected for the pilot project.

17 (5) The pilot project shall begin at the start of the 2016-17
18 academic year and end at the close of the 2017-18 academic year.

19 (6) The council shall contract with a third-party entity to
20 conduct a comprehensive and rigorous evaluation of the state need
21 grant performance-based scholarship pilot project. The third-party
22 evaluator and the council shall submit a report to the appropriate
23 committees of the legislature that details the findings of the
24 evaluation by November 1, 2018. The evaluation must provide a
25 comparison between the control, first performance, and second
26 performance cohorts.

27 (7) This section expires August 1, 2019.

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