

SENATE BILL REPORT

E2SHB 1311

As Reported by Senate Committee On:
Higher Education & Workforce Development, March 26, 2019
Ways & Means, April 9, 2019

Title: An act relating to college bound scholarship eligible students.

Brief Description: Concerning college bound scholarship eligible students.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Bergquist, Ortiz-Self, Stonier, Dolan, Frame, Paul, Ryu, Sells, Valdez, Lekanoff, Stanford, Leavitt, Thai and Wylie).

Brief History: Passed House: 3/08/19, 66-29.

Committee Activity: Higher Education & Workforce Development: 3/19/19, 3/26/19 [DP-WM, DNP].

Ways & Means: 4/04/19, 4/09/19 [DPA, DNP, w/oRec].

Brief Summary of Amended Bill

- Expands the College Bound Scholarship (CBS) signup to students in ninth-grade who were previously ineligible for the award in seventh- or eighth-grade.
- Prioritizes eligible CBS students for a State Need Grant if they have a family income that exceeds 65 percent of the state median family income range.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass and be referred to Committee on Ways & Means.
Signed by Senators Palumbo, Chair; Randall, Vice Chair; Lias and Wellman.

Minority Report: Do not pass.
Signed by Senators Holy, Ranking Member; Brown.

Staff: Alicia Kinne-Clawson (786-7407)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Billig, Carlyle, Conway, Darneille, Hasegawa, Hunt, Keiser, Lias, Palumbo, Pedersen, Van De Wege and Warnick.

Minority Report: Do not pass.

Signed by Senators Brown, Assistant Ranking Member, Operating; Honeyford, Assistant Ranking Member, Capital; Bailey, Becker and Wagoner.

Minority Report: That it be referred without recommendation.

Signed by Senators Braun, Ranking Member; Schoesler.

Staff: Daniel Masterson (786-7454)

Background: The CBS Program was established in 2007 to provide guaranteed four-year tuition to students from low-income families. The first CBS awards were granted to the graduating high school class of 2012. Eligible students for the CBS include those who:

- qualify for free or reduced-price lunches in the seventh grade;
- are in grades seven through twelve, and are dependent from parents or guardians, or are receiving extended foster care services; or
- are between the ages of eighteen and twenty-one years and have not graduated from high school.

Beginning in the seventh-grade, eligible students are notified of their eligibility and the requirements for award of the scholarship. To be eligible to receive the CBS, a student must sign a pledge during the seventh- or eighth-grade that includes a commitment to graduate from high school with at least a C average and no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the Office of Student Financial Assistance within the Washington Student Achievement Council. If the student is a dependent, the student is automatically enrolled without any necessary action by the student or the student's family.

To receive the CBS, the student must graduate with at least a C average from a public high school, approved private high school, or have received home-based instruction. The student cannot have a felony conviction and must be a resident student. Upon graduation, the student's family income will be assessed, and if it does not exceed 65 percent of the state median family income (MFI), the student will receive a scholarship.

CBS recipients that attend public two-year or four-year higher education institutions receive an award to cover the cost of tuition and fees, minus any state-funded grant, scholarship, or waiver assistance, plus \$500 for books and materials. The student must maintain satisfactory academic progress and may not receive the scholarship for more than four full-time years.

Summary of Amended Bill: Beginning in the 2019-20 academic year, a student may qualify for the CBS program if the student is eligible for free or reduced-price lunches in the ninth-

grade, but was previously ineligible during the seventh- or eighth-grade while a Washington student.

Under the State Need Grant (SNG) program, a CBS eligible student who has a family income that exceeds 65 percent of the state MFI must be prioritized for the maximum SNG for which the student is eligible.

EFFECT OF WAYS & MEANS COMMITTEE AMENDMENT(S): The College Bound Scholarship signup period is expanded only to students in ninth-grade who were previously ineligible for the award in seventh- or eighth-grade, instead of expanding to students in both ninth- and tenth-grades if previously ineligible.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Engrossed Second Substitute House Bill (Higher Education & Workforce Development): PRO: As a high school social studies teacher I have seen many students come through the system. For these students, their lives have often been turned upside down from their seventh or eighth grade year to their ninth or tenth grade year. For example, a family divorce or family member passes away that completely changes their financial position. These students were unable to sign up for College Bound when they were required to but then their life position changes. This bill recognizes that its still early enough time in the high school career for a student to sign-up for college bound and have the benefits of that program. If they keep working hard they can succeed. This treats them in a similar way to other students who had access to this opportunity in seventh or eighth grade.

OTHER: The public baccalaureate institutions have a small concern about the packaging of aid under this bill. We are concerned about requiring further prioritization of college bound and the impacts that this will have on State Need Grant recipients. It may result in the institutions holding back too much State Need Grant aid in order to ensure it is available for College Bound recipients. We would like to recommend that students be required to meet a priority deadline for aid.

Persons Testifying (Higher Education & Workforce Development): PRO: Representative Steve Bergquist, Prime Sponsor.

OTHER: Cody Eccles, Council of Presidents.

Persons Signed In To Testify But Not Testifying (Higher Education & Workforce Development): No one.

Staff Summary of Public Testimony on Engrossed Second Substitute House Bill (Ways & Means): *The committee recommended a different version of the bill than what was heard.*

PRO: We have seen over and over again that low income students graduate and attend post-secondary and achieve a post-secondary credential at lower rates than their peers that are not identified as being low income. We have about 3000 students who would have been newly eligible in 2019 if this bill had been enacted. These are ninth- and tenth-graders whose families have undergone significant changes since the time they were in seventh- and eighth-grade. We think it is a good call to provide support to those students.

OTHER: This bill opens up access to post-secondary education through the promise of financial aid. Requiring prioritization of college bound students within the state need grant creates unintended consequences for packaging financial aid. This prioritization would require institutions to hold back state need grants for college bound students that may or may not attend. We suggest requiring college bound students to meet the priority deadline for financial aid awarding at our institutions in order to be prioritized in this way. This would ensure that no one is held back that would otherwise be awarded.

Persons Testifying (Ways & Means): PRO: Katherine Mahoney, Office of the Superintendent of Public Instruction.

OTHER: Cody Eccles, Council of Presidents.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.