

SENATE BILL REPORT

ESSB 5321

As Amended by House, April 7, 2021

Title: An act relating to the college bound scholarship.

Brief Description: Expanding access to the college bound scholarship.

Sponsors: Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Nobles, Das, Dhingra, Frockt, Hasegawa, Liias, Lovelett, Nguyen, Randall, Saldaña, Stanford and Wilson, C.).

Brief History:

Committee Activity: Higher Education & Workforce Development: 2/02/21, 2/09/21 [DPS-WM, w/oRec].

Ways & Means: 2/17/21, 2/19/21 [DPS (HEWD), DNP, w/oRec].

Floor Activity: Passed Senate: 3/4/21, 31-18.

Passed House: 4/7/21, 60-38.

Brief Summary of Engrossed First Substitute Bill

- Eliminates the requirement that a student sign a pledge to be eligible for the College Bound Scholarship.
- Directs the office of financial assistance to develop a process for auto-enrolling eligible students.
- Requires that all eligible students acknowledge receipt of their enrollment in the program and eligibility criteria.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5321 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Randall, Chair; Nobles, Vice Chair; Liias.

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

Minority Report: That it be referred without recommendation.

Signed by Senator Holy, Ranking Member.

Staff: Alicia Kinne-Clawson (786-7407)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5321 as recommended by Committee on Higher Education & Workforce Development be substituted therefor, and the substitute bill do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Capital; Robinson, Vice Chair, Operating & Revenue; Carlyle, Conway, Darneille, Dhingra, Hasegawa, Hunt, Keiser, Liias, Pedersen, Van De Wege and Wellman.

Minority Report: Do not pass.

Signed by Senators Honeyford, Assistant Ranking Member, Capital; Schoesler, Assistant Ranking Member, Capital; Gildon, Mullet and Wagoner.

Minority Report: That it be referred without recommendation.

Signed by Senators Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Braun, Muzzall and Warnick.

Staff: Michele Alishahi (786-7433)

Background: The College Bound Scholarship Program (CBS) 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, eighth, and under certain circumstances ninth grade;
- are in grades seven through twelve, and are dependent on parents or guardians, or are receiving extended foster care services; or
- are between the ages of eighteen and twenty-one years of age 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 Engrossed First Substitute Bill: The requirement that a student sign a pledge in order to be eligible for the CBS is eliminated. The Legislature intends to create a statutory contractual right for students who fulfill the CBS requirements. A student has a vested right to the award of a CBS if they:

- qualify for free or reduced-price lunch in the seventh-, eighth-, or, under certain circumstances, ninth-grade;
- graduate high school with a minimum of a C average;
- have no felony convictions;
- are a resident student; and
- have a family income that does not exceed 65 percent of the median family income at the time of graduation.

Eligible students must enroll within one-year of high school graduation. The award must be used within a five-year period and must not exceed four full-time years worth of scholarship awards.

Eligible students, to the maximum extent practicable, must acknowledge enrollment in the college bound program and receipt of the scholarship requirements.

The office of financial assistance must take reasonable steps to ensure that students acknowledge enrollment in the program. The office must develop a process for auto-enrolling and notifying all eligible students of the scholarship and its requirements.

The requirements in this act are applied retroactively to students beginning with the 2019-20 school year.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony on Proposed Substitute (Higher Education & Workforce Development): *The committee recommended a different version of the bill than what was heard.* PRO: My kids are recipients of the CBS and I want to see programs like this accessible to more students. If we remove the pledge we can increase access for 10,000 more students each year. We can help more students see college is possible. But, there is a tradeoff with removing criteria for the award and adding auto-enrollment. If we do not provide some type of criteria it is harder to hold the state accountable for funding this program in the future. I want to find the strongest language possible to increase access but be sure this promise remains for students. The bill addresses a serious problem that has been exacerbated by the pandemic. Research shows the program boosts college completion for those who get it but thousands of students each year do not get the award because of a form. Our focus is on removing educational barriers and this program is one of our tools. We would like to be able to focus our efforts on supporting these students rather than chasing forms. The CBS offers more than a financial award, it offers hope. For many of our students obtaining the signature on this form represents a massive barrier. Many of our kids who have faced systemic inequities are also the students who struggle most to get the signature.

OTHER: We are strongly in favor of expanding access to the CBS. Foster youth are automatically eligible. We urge you to remove the requirement of a C average as many students in foster care struggle academically and this presents a barrier. CBS remains one of these students only pathways. Forty percent of the young people in our juvenile justice system are in foster care. We encourage you to remove the prohibition on felony convictions as it presents one more barrier for our youth. Through my personal experience signing students up for this program I have spent countless hours chasing forms. We do not believe it makes sense to withhold education dollars for students who have had interactions with the criminal justice system. We know education is a key tool in preventing recidivism.

Persons Testifying (Higher Education & Workforce Development): PRO: Senator T'wina Nobles, Prime Sponsor; Marc Webster, Washington Student Achievement Council; Juliette Schindler Kelly, College Success Foundation; Casey Parrott, TRIO Talent Search; Morgan Collins, Central Kitsap Middle School; Shea Hamilton, Independent Colleges of Washington; Rosie Ayala, Foundation for Tacoma Students.

OTHER: Tristan Allen; Dawn Rains, Treehouse; Katherine Mahoney, Office of the Superintendent of Public Instruction.

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

Staff Summary of Public Testimony on First Substitute (Ways & Means): PRO: Currently the pledge form must be witnessed and signed by a parent or guardian but it is

extremely challenging to get this form from many of our low-income families. It is extremely challenging to get these signatures from kids with busy single-working parents, families who do not speak English, families experiencing medical crises, and others. Due to the transient nature of many of our low-income families, meeting the required attempts is often very difficult before we can utilize a counselor's signature. Chasing down paperwork is not an efficient use of master's level counselors who are being paid to help meet the mental health needs of our students.

Persons Testifying (Ways & Means): PRO: Morgan Collins, Central Kitsap Middle School.

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

EFFECT OF HOUSE AMENDMENT(S):

- Expands eligibility to all ninth graders and tenth graders who were previously ineligible in seventh, eighth, or ninth grade.
- Expands eligibility to all seventh through ninth graders in Provision 2/CEP schools.
- Adds a \$500 stipend for students above 65 percent MFI upon high school graduation who are divested of CBS award but below 100 percent MFI, beginning in the 2021-22 school year.
- Eliminates the minimum GPA requirement from high school graduation beginning in the 2021-22 school year. Requires a student to have a C average GPA for consideration of admission to a four-year institution.
- Requires the Office of the Superintendent of Public Instruction to provide school districts with a list of that school district's CBS eligible students for the purposes of implementing the requirements of HB 1660 from 2020, regarding the participating of low-income students in extracurricular activities.
- Strikes the retroactivity clause.