

HOUSE BILL REPORT

HB 1277

As Reported by House Committee On:
Higher Education

Title: An act relating to gaining independence for students by establishing an educational assistance grant program for students with dependents.

Brief Description: Gaining independence for students by creating the educational assistance grant program for financially needy students with dependents.

Sponsors: Representatives Kenney, Cox, Jarrett, Chase, Veloria, Kessler and Upthegrove.

Brief History:

Committee Activity:

Higher Education: 2/12/03, 2/19/03 [DPS].

Brief Summary of Substitute Bill

- Creates a grant program funded by private endowments to serve financially needy students with dependents.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives Kenney, Chair; Fromhold, Vice Chair; Cox, Ranking Minority Member; Priest, Assistant Ranking Minority Member; Berkey, Boldt, Chase, Clements, Condotta, Gombosky, Jarrett, Lantz, McCoy and Morrell.

Staff: Sydney Forrester (786-7120).

Background:

Financially needy students with dependents often incur expenses for childcare and other dependent-related needs. The childcare allowance provided in the State Need Grant Program may not cover all of the actual expenses incurred by a financially needy student with dependents. Sometimes the total of these dependent care-related expenses functions to make it increasingly difficult for a financially needy student to remain in school and complete a certificate or degree program.

Summary of Substitute Bill:

The Educational Assistance Grant Program for Students with Dependents (Program) is created. The Program is funded by only private endowments and is administered by the Higher Education Coordinating Board (HECB). The account is created in the custody of the state treasurer. The HECB may solicit and receive endowments from private sources for the use and benefit of the Program.

Students with dependents under the age of 18 who participate in the State Need Grant Program would be eligible for a minimum grant of \$1,000 per academic year. Individual awards would be determined according to criteria developed by the HECB, and according to the student's documented financial need. The HECB is authorized to adjust the amount of the award to account for any supplanting or reduction of any other grant, scholarship, or tax program.

Substitute Bill Compared to Original Bill:

The restriction against use of the award in pursuit of a theology degree is removed. The provision making the account subject to the Office of Financial Management allotment procedures is removed and a clarification that the account retains its own interest is added. The duties of the HECB are clarified. A provision is added that the HECB duties are triggered when the account balance reaches \$500,000.

Appropriation: None.**Fiscal Note:** Available.**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (In support) Maintaining high academic standards and meeting the demands of parenthood leaves little time for working or participating in internships. Every assistance provided to help parents become educated benefits the children in the family as well. For many students with dependents, poverty is never more than a paycheck away. It doesn't take much to help insulate families from paycheck-to-paycheck living. For many this would create a hand up out of poverty while trying to finish school and gain financial independence. The Educational Assistance Grant Program for Students with Dependents would create a mechanism for private entities that want to donate funds to support the success of students with dependents. Institutional aid and scholarships pay off when students complete their degree. The Program would also help students with dependent care costs while they are struggling to complete their degree.

The cost of childcare is rising and many of the campuses have had to cut back on campus childcare hours because of lack of funding. Working parents who need evening and weekend childcare in order to attend classes would benefit greatly by additional assistance with costs. The changing demographics in the state's colleges indicate many more parents are returning to school, either for the first time, or to gain additional job skills.

The State Need Grant childcare supplement may not be available to all parents and may not cover all the actual expenses connected with raising children while getting through school.

(With concerns) The HECB is not in the fund raising business and would like more clarification on its duties. For the American Indian Endowed Scholarship Program, an advisory committee is the fund collection point and has the primary fund raising duty. The board also would like clarification on administrative costs.

Testimony Against: None.

Testified: (In support) Stacy Behrendt, Student; Angela Light, Poverty Action Network; Roger Yockey, Cascadia Community College; Sally Zeiger Hanson, State Board for Community and Technical Colleges; Julie L. Watts, Washington Association of Churches; and Tony Lee, Statewide Poverty Action Network.

(With concerns) Bruce Botka, Higher Education Coordinating Board.