

SENATE BILL REPORT

SB 5028

As Reported by Senate Committee On:
Higher Education, February 12, 2013

Title: An act relating to state need grant eligibility.

Brief Description: Changing state need grant eligibility provisions.

Sponsors: Senators Hasegawa and Kohl-Welles.

Brief History:

Committee Activity: Higher Education: 2/07/13, 2/12/13 [DPS-WM].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 5028 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Bailey, Chair; Becker, Vice Chair; Baumgartner, Frockt, Kohl-Welles, Ranking Member; McAuliffe and Tom.

Staff: Kimberly Cushing (786-7421)

Background: The State Need Grant (SNG) program was established in 1969 to support low-income students and offset the increase of tuition. In 2012, to be eligible, a student's family income cannot exceed 70 percent of the state's median family income, currently \$57,500 per year for a family of four. Awards are prorated by income categories and further prorated for part-time students: 75 percent for students taking 9 to 11 credits, 50 percent for students taking 6 to 8 credits, and 25 percent for students taking 3 to 5 credits.

For the 2011-12 academic year, the Legislature appropriated \$266 million for the SNG program. As a result, 74,703 undergraduate resident students received a SNG award, while 31,849 were eligible but did not receive an award due to a shortage of program funds.

In 1990 the Legislature extended SNG eligibility to students enrolled at least half-time, six quarter credits or more. In 2005 the Legislature directed the former Higher Education Coordinating Board to develop a two-year pilot project to assess the need for and feasibility of allowing students enrolled for at least four quarter credits to be eligible for SNG. Under the pilot, students attending a participating school who enrolled for four or five credits were eligible to receive a grant as long as they met the other eligibility criteria for SNG. In 2007

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the Legislature extended the part-time student pilot program to students enrolled for at least three quarter credits, or the semester equivalent. The pilot program expired on June 30, 2011.

Under the 2011-13 operating budget, eligibility for SNG includes students enrolled in three to five quarter credits. By December 1, 2013, the Office of Student Financial Assistance – located within the Student Achievement Council – must report to the Legislature regarding the number of students enrolled in three to five credits and their academic progress, including degree completion.

Summary of Bill (Recommended Substitute): The pilot program allowing students to be eligible for the SNG program if they are enrolled for at least three quarter credits, or the semester equivalent, is extended to June 30, 2015. The Student Achievement Council must report to the Legislature regarding the number of students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits and their academic progress, including degree completion by December 1, 2013.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION COMMITTEE (Recommended Substitute): The SNG pilot program for students enrolled in at least three quarter credits or equivalent semester credits less than halftime is extended to June 30, 2015. The pilot program no longer requires funds to be specifically appropriated in the budget for this purpose. The Student Achievement Council must report to the Legislature regarding the number of students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits and their academic progress, including degree completion by December 1, 2013.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: This bill will make a well-proven program permanent in the books. It is funded in the budget already. Things happen in life – work, a family incident, etc., that causes a student to drop below half-time enrollment for one term. Allowing students to continue at less than half-time preserves their investment and prevents them from dropping out. An increasing percentage of students in higher education are nontraditional, which means going to school part time while holding down a job and taking care of their family. This bill helps students who want to improve their career aspects but can only take one class. Most courses in the community and technical colleges are five credits; thus, this bill helps students to keep their momentum. Eighty-seven percent of students are less than half time for one term.

Persons Testifying: PRO: Senator Hasegawa, prime sponsor; Nova Gattman, Workforce Training and Education Coordinating Board; Scott Copeland, State Board for Community and Technical Colleges.