
College & Workforce Development Committee

HB 2523

Brief Description: Expanding access to higher education.

Sponsors: Representatives Ortiz-Self, Slatter, Leavitt, Valdez, Pollet and Bergquist; by request of Lieutenant Governor.

Brief Summary of Bill

- Requires the Student Achievement Council to develop a centralized online statewide calculator tool to estimate combined financial aid packages.
- Requires the Council of Presidents and the Student Achievement Council to develop clear, consistent standards for institutions to adopt regarding financial aid award packages.
- Requires the creation of a financial aid advising day for high school students.

Hearing Date: 1/22/20

Staff: Elizabeth Allison (786-7129).

Background:

Federal Student Aid.

The Free Application for Federal Student Aid (FAFSA) is a free application filled out by prospective college or graduate students to determine eligibility for federal government-sponsored aid.

A FAFSA can determine if students are, among other things, eligible for a Pell grant, which is a need-based grant to low-income undergraduate students. Grants are dependent on the student's expected family contribution, the cost of attendance at an institution, the student's enrollment status (part-time or full-time), and whether the student attends for a full academic year or less. It is determined on a year-at-a-time basis.

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.

State Student Aid.

The Washington Application for State Financial Aid (WASFA) is a free application for state financial aid. State financial aid is administered by the Student Achievement Council, and can include the Washington College Grant, the College Bound Scholarship, or State Work Study.

The Washington College Grant assists the state's lowest-income undergraduate students in pursuing degrees or training for new careers by providing grants to cover full and partial tuition.

The College Bound Scholarship is an early commitment of state financial aid to students who sign up in middle school and fulfill the scholarship pledge. Students in seventh and eighth grade may apply for the scholarship if the student meets certain household income requirements, is currently in foster care of a dependent of the state, or if the student's family currently receives certain food assistance benefits.

Net Price Calculator.

The Higher Education Act requires each postsecondary institution participating in federal student aid programs to post a net price calculator on its website. Net price calculators allow prospective students to find an estimate of the cost to attend an institution based on information about the student. Institutions may use the Department of Education's net price calculator template or develop their own customized calculators. The information produced by the calculator must include:

- the estimated total cost of attendance;
- the estimated tuition and fees;
- the estimated room and board;
- the estimated books and supplies;
- the estimated other expenses;
- the estimated total grant aid;
- the estimated net price;
- the percentage of the cohort that received grant aid; and
- caveats and disclaimers.

Financial Aid Package Award Letters.

Financial aid package award letters are sent by each school to students who have been accepted to an institution and awarded financial aid. The letter provides cost of attendance for one year and how the financial aid package will measure up to that cost. There is no standard format for institutions to follow.

Financial Aid Requirements for High Schools.

To graduate from high school, each student must have a high school and beyond plan to guide and inform the student on course taking and assist with college and career planning. Related to financial aid, the plan must include evidence that the student has received information on federal and state financial aid programs, including information about the necessary documentation for completing applications, application timelines and submission deadlines, and information specific to students who are or have been in foster care, students who are at risk of being homeless, and students whose family member or guardians will be required to provide financial and tax information necessary to complete applications. The plan must also include evidence

that the student has received opportunities to participate in sessions that assist students (and their family members or guardians as necessary) in filling out their financial aid applications.

The Council of Presidents.

The Council of Presidents (COP) is a voluntary association of Washington's six public four-year institutions of higher education. The COP works to advance collaboration, cooperation, and efficiency across public four-year institutions.

Summary of Bill:

Centralized Calculator Tool.

The Washington Student Achievement Council (WSAC) is required to develop a centralized online statewide calculator tool to estimate combined financial aid packages from the federal Pell Grant and the Washington College Grant program for Washington's four-year institutions of higher education. The tool must provide financial aid estimates based the student's parents' income and any expected family contribution. The calculator must be posted on four-year institutions' websites. The tool is for estimation purposes only and does not guarantee state aid. Students must be able to use the calculator anonymously, and it must not collect or share any data.

Financial Aid Package Award Letters.

The WSAC must collaborate with the Council of Presidents (COP) to develop clear, consistent standards regarding financial aid package award letters for institutions of higher education to adopt. By July 1, 2021, all institutions of higher education and independent colleges of Washington must adopt uniform terminology and a standardized template for financial aid package award letters.

Requirements for High Schools.

Beginning with the 2020-21 school year, in coordination with WSAC and the Office of the Superintendent of Public Instruction (OSPI) all school districts with a high school must provide a financial aid advising day, with rules that may be adopted by the superintendent for implementation.

The OSPI is required to facilitate a financial aid advising day with all school districts with a high school. A financial aid advising day is a day or several days in September to be chosen by each school that must include dedicated time during regular school hours for staff to provide twelfth grade students information on the FAFSA and WASFA, and to assist students in completing the applications as appropriate. OSPI and the WSAC are required to distribute information on the Washington College Grant and demonstrate the use of the financial aid calculator tool.

The OSPI is required to coordinate with the WSAC whenever possible to assist districts in providing opportunities outside of regular school hours for parents to participate in seminars on financial aid applications, and whenever possible, provide interpreter services.

Students may choose to opt out of these activities with written consent of the parent if under the age of 18, and without consent if over the age of 18. Neither students nor staff may be punished for a student's failure to complete financial aid applications or a student's choice to opt out of activities.

No organization may collect or share any personally identifiable student or family information, including mailing or home addresses, social security numbers, immigration status, or employment records.

Appropriation: None.

Fiscal Note: Requested on January 15, 2020.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.