

HOUSE BILL REPORT

HB 1316

As Reported by House Committee On:

Education
Appropriations

Title: An act relating to expanding access to dual credit programs.

Brief Description: Expanding access to dual credit programs.

Sponsors: Representatives Paul, Ortiz-Self, Stonier, Bergquist, Lekanoff, Ramel, Santos, Reed, Pollet, Leavitt, Timmons, Chapman and Ormsby.

Brief History:

Committee Activity:

Education: 1/23/23, 2/7/23 [DPS];

Appropriations: 2/20/23, 2/23/23 [DP2S(w/o sub ED)].

Brief Summary of Second Substitute Bill

- Allows students participating in Running Start programs to be funded up to a combined maximum enrollment of 1.6 full-time equivalents, including enrollment during the summer academic term.

HOUSE COMMITTEE ON EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Santos, Chair; Shavers, Vice Chair; Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bergquist, Callan, Eslick, Harris, McClintock, Ortiz-Self, Pollet, Sandlin, Steele, Stonier and Timmons.

Staff: Megan Wargacki (786-7194).

Background:

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.

Dual Enrollment Program Overview.

Dual, or concurrent, enrollment programs allow high school students to earn high school and postsecondary credit at the same time. These programs can be offered at an institution of higher education (Running Start [RS] courses) or at a high school (College in the High School [CHS] courses and career and technical education dual credit courses).

College in the High School.

Students in grades 9 through 12 are eligible to enroll in CHS courses, which are taught by high school teachers with college curricula and overseen by public institutions of higher education. Dual credit is awarded to students who pass a CHS course. The maximum fee a public institution of higher education may charge for a CHS course is \$65 per college credit, adjusted annually for inflation as specified.

Running Start.

Program Description. Students in grades 11 and 12 are eligible to apply for admission to a participating public institution of higher education to enroll as an RS student. Students in the RS program do not pay tuition, but do pay for educational materials, mandatory fees, and transportation costs. Public institutions of higher education must make fee waivers available for low-income RS students. The waiver is funded out of each institution's operating budget, not additional state funding. In addition, many RS students receive book loan funds through college foundations.

Enrollment Limits. The state's operating budget specifies that students participating in RS programs may be funded up to a combined maximum enrollment of 1.2 full-time equivalents (FTEs), including school district and institution of higher education enrollment. In calculating the combined 1.2 FTEs, the operating budget allows the Office of the Superintendent of Public Instruction (OSPI) to average an RS student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and institution of higher education.

The 2022 Supplemental Operating Budget directed the OSPI to adopt rules to fund a participating RS student's enrollment in RS courses during the summer term.

Summer Pilot Program. In 2020 legislation was enacted that created a two-year RS Summer School Pilot Program (RS Pilot) to evaluate interest in and barriers to expanding the RS program to include the summer academic term. Three community colleges participated in the RS Pilot. In addition to students eligible for the RS program, people who graduated from a participating high school in the current school year and who have five or fewer college credits to earn before meeting associate degree requirements were eligible to earn a maximum of five college credits through the RS Pilot. A report to the Legislature with findings and recommendations regarding the RS Pilot, including recommending whether to expand the RS program to include the summer term, was required in November 2022. The report included recommendations related to: (1) full and consistent RS funding; (2) funding to support summer staff at the high schools; (3) student eligibility; and (4)

integrated electronic tracking and reporting.

State Funding for Dual Credit Program Costs.

Since at least 2018, the state has appropriated \$4,894,000 per fiscal year to the OSPI to support the administration of dual credit programs and to provide grants to subsidize student fees. While not specifically required, these funds may be used to implement the following programs:

- The Academic Acceleration Incentive (AAI) Program, enacted in 2013, supports school districts with costs associated with offering dual credit courses to high school students.
- A program to provide state-funded CHS per credit allocations and per credit subsidies was enacted in 2015.

In addition, the 2022 Supplemental Operating Budget appropriated to the OSPI:

- \$500,000 for the administration of a pilot program to subsidize costs for high school students who qualify for free or reduced-price meals and are participating in CHS or RS through three designated community colleges; and
- \$3 million for grants to school districts that identify RS students that have exceeded maximum enrolment under RS funding formulas and high school graduates who have 15 or fewer college credits to earn before meeting associate degree requirements.

Notifications about Dual Credit Programs.

School districts are required to notify students and their parents about advanced courses or programs available to students, including dual credit courses or programs. There are requirements specific to notifying students and their parents about the CHS program and the RS program.

Washington College Grant.

The Washington College Grant program is a state financial aid program, administered by the Washington Student Achievement Council (WSAC), that provides postsecondary education grants to students who demonstrate financial need and meet other criteria. Financial need is based on the state's median family income (MFI) and the student's family size. Students with family incomes between zero and 55 percent of the state MFI, adjusted for family size, must receive the maximum grant amount.

Dual Credit Task Force Report.

In 2021 the WSAC was directed to convene a task force to propose strategies to eliminate barriers to low-income students participating in dual credit programs. As directed, the task force issued a report in December 2021. The 42-page report includes specific recommendations related to addressing financial barriers, improving communication, and other topics.

Summary of Substitute Bill:

Subsidy Program for Students' Dual Credit Course Costs.

The Office of the Superintendent of Public Instruction (OSPI) must administer a program to subsidize certain dual, or concurrent enrollment course costs for eligible students. "Eligible students" is a defined term that generally means students from low-income households.

For eligible students enrolled in College in the High School (CHS) courses who are charged a per college credit tuition fee of \$45.50 plus inflation, the program must subsidize the per college credit tuition fees. For eligible students enrolled in career and technical education dual credit courses, the program must subsidize transcription fees assessed by the public institution of higher education.

For eligible students enrolled in Running Start (RS) courses, the program must subsidize: (1) any fees required for enrollment, up to 18 credits per quarter or the semester equivalent, that were not required to be waived by the public institution of higher education; and (2) textbooks and other required course materials. To subsidize these RS costs, the OSPI must transmit to each public institution of higher education \$1,000 per full-time equivalent (FTE) RS student per academic year. At the end of the academic year, any unused funds must be returned to the OSPI.

The Washington Student Achievement Council (WSAC), in consultation with specified parties, must develop and publish an income attestation form to be used to determine student eligibility for the dual credit subsidy program, reduced per college credit tuition fees for CHS courses, and fee waivers for RS courses.

The statutes establishing the Academic Acceleration Incentive Program, the CHS per-credit allocations and per-credit subsidies, and the Washington Dual Enrollment Scholarship Pilot Program are repealed.

Notifications about Dual Credit Programs.

Prior to course scheduling or course registration for the next school term, public schools that serve students in any of grades 9 through 12 must provide all students and their parents with information on each available dual credit program and any financial assistance available to reduce dual credit course and exam costs for students and their families.

College in the High School.

A public institution of higher education that chooses to charge to eligible students no more than \$42.50 per college credit, adjusted for inflation as specified, qualifies the eligible students for the dual credit subsidy program.

Running Start.

It is explicitly stated that every school district, charter school, and state-tribal compact school must allow eligible students to participate in the RS program.

High school graduates who have 15 or fewer college credits to earn before meeting

associate degree requirements may continue participation in the RS Program and earn up to 15 college credits during the summer academic term following their high school graduation.

The definition of "eligible students" used for the dual credit subsidy program is made applicable to fee waivers for low-income RS students.

Enrollment Limits. Students participating in RS programs may be funded up to a combined maximum enrollment of 1.6 FTEs, including school district and institution of higher education enrollment. In calculating the combined FTEs, the OSPI must adopt rules to fund a student's enrollment in RS courses provided by the institution of higher education during the summer academic term.

It is declared that the RS programs as a service delivery model, associated funding levels beyond 1.0 FTE per student, and funding for high school graduates enrolled in RS courses, are not part of the state's statutory program of basic education.

Historical Agreements. The provision stating that the statutes governing the RS program are in addition to and not intended to adversely affect agreements between school districts and public institutions of higher education in effect on April 11, 1990, no longer applies to agreements in effect "in the future."

Dual Credit Incentive Rebate.

The dual credit incentive rebate is created. The WSAC must award a one-time, lump sum rebate of \$1,000 to a Washington College Grant recipient who earned at least 24 quarter college credits or the equivalent at the postsecondary level through one or more dual credit programs and who earned at least an additional 24 quarter credits or the equivalent at the postsecondary level after graduating high school.

Substitute Bill Compared to Original Bill:

The substitute bill specifies that an institution of higher education that chooses to charge to eligible College in the High School students no more than \$42.50 per college credit adjusted for inflation as specified, qualifies the eligible students for the dual enrollment course cost subsidy program.

The substitute bill also creates the dual credit incentive rebate to award a one-time, lump sum rebate of \$1,000 to a Washington College Grant recipient who earned at least 24 quarter credits at the postsecondary level through dual credit programs and who earned at least an additional 24 quarter credits at the postsecondary level after graduating high school.

Appropriation: None.

Fiscal Note: Requested on February 8, 2023.

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

Staff Summary of Public Testimony:

(In support) Washington has great dual credit programs. These programs help reduce student debt and help students get onto pathways to career and technical training or four-year degrees. These programs are not equitably distributed. Middle class families are more likely to access these programs. This bill requires notification every academic term about the dual credit programs available because not enough students are benefitting from these programs.

Thousands of high school students enroll in dual credit programs, take a few classes, and earn some college credits. Even a few dual credits can reduce students' time at a university and reduce their college debt. When considering solutions, the state should consider transferability of credits and efficient funding models.

Both the College in the High School (CHS) and the Running Start (RS) Program have fees. A program that will subsidize fees for low-income students will help to remove inequities.

The RS Summer School Pilot Program should be made permanent. The pilot was very successful at all three schools, with high completion rates. Some students took a foreign language and some got caught up on math credits. This bill proposes a permanent solution for the RS Summer School Pilot Program by increasing the annual full-time equivalent student limitation. This helps students with credit recovery and attainment. It will mean that more students will leave high school with a degree.

Students report that out-of-pocket expenses and limited information are the top barriers to enrollment in dual credit courses. The bill allows student reimbursement on fees to reduce out-of-pocketbook costs. Until all textbooks are open resources, the bill is needed to provide additional resources to students.

College in the High School costs can be reduced if colleges want to reduce their fees. With the subsidy program, only eligible students are subject to the \$42.50 per college credit tuition fee, which would keep the costs viable for colleges. The subsidy program should fund College in the High School course costs instead of course fees.

(Opposed) None.

(Other) The RS Summer Pilot Program should be made permanent at all institutions of higher education, not just a few. There are other approaches to funding CHS course costs that are better. The bill requires students to prove they are poor to get a subsidy, which creates bureaucracy. The costs remain the same regardless of how many students are getting the credit. This would dramatically increase the number of students getting college

credit in CHS.

Persons Testifying: (In support) Representative Dave Paul, prime sponsor; Jamie Traugott, State Board for Community and Technical Colleges; Kristin Murphy, Office of Superintendent of Public Instruction; and Steve DuPont, Central Washington University.

(Opposed) None.

(Other) Bill Lyne, United Faculty of Washington State.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Education. Signed by 26 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Corry, Assistant Ranking Minority Member; Berg, Chopp, Connors, Davis, Dye, Fitzgibbon, Harris, Lekanoff, Pollet, Riccelli, Rude, Ryu, Sandlin, Schmick, Senn, Simmons, Slatter, Springer, Steele, Stonier and Tharinger.

Minority Report: Do not pass. Signed by 3 members: Representatives Stokesbary, Ranking Minority Member; Chandler and Couture.

Staff: Jordan Clarke (786-7123).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Education:

The Appropriations Committee recommends striking provisions in the bill that: lower dual enrollment program costs for eligible students from low-income households; expand requirements to notify students and their parents or legal guardians about dual credit programs and available financial assistance; and create a dual credit incentive rebate. The Appropriations Committee also recommends adding a null and void clause, making the bill null and void unless funded in the budget.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) Thousands of high school students enroll in dual credit programs, take classes, and earn college credits each year. The current cost to students is the main source of inequities in these programs, as the cost can be a barrier to entry for some students. Students who cannot afford to pay dual credit program fees, transportation costs, textbook fees, and other related expenses are denied the benefits of earning college credit.

Dual credit programs can help students in their academic careers and allow them to pursue their education in a way that fits best for them. There is a large disconnect between students, staff, and administrators, which can cause students to not pursue dual credit programs if they fear that enrolling will cause them to miss their high school experience.

The extension of Summer Running Start will provide an opportunity for more students to complete their transfer degrees before attending one of the state's baccalaureate institutions, which results in students completing their bachelor's degrees in a shorter period of time.

In addition to the dual credit programs teaching students course material, they also teach students what it is like to go to college. Many students don't show up in college classrooms because they don't know what college is about or what it is like, and they also have financial difficulties that prohibit them from attending. Students who earn college credit in high school are much more likely to enroll in postsecondary education.

The bill helps expand access to these dual credit programs and reduces the cost to low-income students. Increased funding to offset the expenses that students incur when participating in dual credit courses will result in more college credit accruals and credential attainments, saving students time and money. This investment would motivate more students to continue their journey in higher education and would result in more students working in higher paying jobs in the future.

(Opposed) None.

Persons Testifying: Steve DuPont, Central Washington University; Arlen Harris, State Board for Community and Technical Colleges; Jacob Vigdor, University of Washington; Sopena Chay, South Puget Sound Community College; Puneet Birk, Associated Students of the University of Washington Bothell; Neil Strege, Washington Roundtable; and Anna Hernandez-French, Office of Superintendent of Public Instruction.

Persons Signed In To Testify But Not Testifying: None.