

HOUSE BILL REPORT

ESB 5676

As Reported by House Committee On:
Higher Education
Appropriations

Title: An act relating to the educational opportunity grant program.

Brief Description: Regarding higher education financial assistance.

Sponsors: Senators Carlson, Kohl-Welles, Mulliken, Shin and Schmidt; by request of Higher Education Coordinating Board.

Brief History:

Committee Activity:

Higher Education: 3/28/03, 4/4/03 [DP];

Appropriations: 4/22/03 [DPA].

**Brief Summary of Engrossed Bill
(As Amended by House Committee)**

- Permits the Educational Opportunity Grant (EOG) to be used at a branch campus or by students from any county, and makes additional changes to update EOG statutes.
- Makes students under 21 with a General Educational Development certificate eligible for the Washington Promise Scholarship if they meet the current criteria for high test scores.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 15 members: Representatives Kenney, Chair; Fromhold, Vice Chair; Cox, Ranking Minority Member; Priest, Assistant Ranking Minority Member; Berkey, Boldt, Buck, Chase, Clements, Condotta, Gombosky, Jarrett, Lantz, McCoy and Morrell.

Staff: Barbara McLain (786-7383).

Background:

Educational Opportunity Grant (EOG): The Legislature established the EOG in 1990, as

a demonstration project to provide an option other than attendance at a branch campus for "placebound" students. It was based on the assumption that the size and cost of branch campuses might be reduced if students could be encouraged through a grant to attend another institution with enrollment capacity. The EOG was also intended to allay the concerns of independent colleges and universities that branch campuses would reduce their enrollments.

As with most financial aid programs, the EOG recipients must demonstrate financial need. They must also meet several other criteria:

- Have received an Associate of Arts degree or its equivalent.
- Intend to complete a baccalaureate degree.
- Be a placebound student (unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or similar factors).
- Reside in one of 13 counties served by a branch campus.
- Attend a Washington public or private college or university, other than a branch campus, that has enrollment capacity within existing programs and facilities.

The EOG award is capped in statute at \$2,500 per year. The Higher Education Coordinating Board (HECB) administers the EOG program.

In 2000 the HECB completed a review of the EOG program and recommended several changes to the program statutes to reflect the current educational climate. For example the HECB recommended removing the association between the EOG and branch campuses by permitting a placebound student living anywhere in the state to qualify for an award and be able to use it at any accredited institution, including a branch campus.

Washington Promise Scholarship: The Washington Promise Scholarship Program was first funded in 1999, and then created in statute in 2002. Its purpose is to provide financial assistance to academically successful high school graduates from low and middle income families.

To be eligible for a Washington Promise Scholarship, students must meet both an academic and an income eligibility standard. To meet the academic standard, students must:

- Graduate in the top 15 percent of their public or private high school class or;
- Score at least 1,200 points on the Scholastic Achievement Test (SAT) or 27 points on the American College Test (ACT) on the first attempt.

In either case students must have received a high school diploma to be eligible for a Washington Promise Scholarship.

Summary of Bill:

Educational Opportunity Grant: Various changes are made to the EOG program statutes that affect student eligibility for the grant, where the grant may be used, and other issues.

Eligible students may live in any county in Washington, rather than only a county served by a branch campus. The same residency standards used for the State Need Grant apply to the EOG. In addition to completing an Associate of Arts degree, students may have completed an Associate of Science degree to be eligible for an award.

EOG awards may be used at any accredited higher education institution approved for participation by the HECB, including branch campuses and in-state programs affiliated with higher education institutions accredited in other states. The restriction that grants are for attendance at institutions with unused enrollment capacity is removed.

Instead of being capped at \$2,500 per year, the amount of the EOG award is set by the HECB with a minimum of \$2,500. The EOG is no longer considered a demonstration project.

Washington Promise Scholarship: Individuals under age 21, who have received a General Educational Development (GED) certificate rather than a high school diploma, may be eligible to receive a Washington Promise Scholarship if they meet the current criteria of achieving high SAT or ACT test scores.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: (In support) It is important to revise the EOG program and update the statutes to reflect current educational realities. Students should have a full menu of options available to them, particularly those students whose finances don't permit them to relocate to attend college. This is the only program that specifically encourages completion of a bachelor's degree by supporting upper division education. The EOG is a very important mechanism to support choices for students, including the choice to attend an independent institution. The independent institutions have been instrumental in authorizing the program and supporting it over the years. Adding the GED to the Washington Promise Scholarship shouldn't have a significant fiscal impact. This is a recognition of student achievement for those who received an alternative to a diploma. If a student scores highly on the SAT or ACT, it shouldn't matter for scholarship eligibility

whether they received a diploma or a GED.

(With concerns) Expansion of eligibility for the EOG should be conditioned on additional funding for the program. Otherwise, the amount of the grant might erode and be less of an incentive for students, just as with the Washington Promise Scholarship.

Testimony Against: None.

Testified: (In support) Senator Carlson, prime sponsor; Bruce Botka, Higher Education Coordinating Board; and Amanda Feutz, Washington Student Lobby.

(With concerns) Father Stephen Sundborg, Seattle University; and Violet Boyer, Washington Association of Independent Colleges and Universities.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 27 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Boldt, Buck, Clements, Cody, Conway, Cox, DeBolt, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Pflug, Ruderman, Schual-Berke, Sump and Talcott.

Staff: Susan Howson (786-7142).

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

The bill as amended by the Appropriations Committee returns the amount of an Educational Opportunity Grant (EOG) to its current maximum of \$2,500. The Senate bill changed EOG grants from a maximum of \$2,500 to a minimum of \$2,500, with the actual grant amount set by the Higher Education Coordinating Board.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: (In support) The Higher Education Coordinating Board has completed an in-depth study of the EOG program and has concluded that it is time to update the current program. This will provide students with a full range of options to complete their four-year degree. The EOG is Washington's only financial aid program that is targeted at helping students to complete their junior and senior years.

(With concerns) Dramatic expansion of eligibility for the EOG should be accompanied by an increase in appropriations for the program.

Testimony Against: None.

Testified: (In support) Bruce Botka, Higher Education Coordinating Board.

(With concerns) Tom Parker, Washington Association of Independent Colleges and Universities.