

HOUSE BILL REPORT

HB 1731

As Reported by House Committee On:
Higher Education

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

Brief Description: Changing provisions in the educational opportunity grant program.

Sponsors: Representatives Kenney, Cox and Chase; by request of Higher Education Coordinating Board.

Brief History:

Committee Activity:

Higher Education: 2/18/03, 2/25/03 [DPS].

Brief Summary of Substitute Bill

- Permits the Educational Opportunity Grant (EOG) to be used at a branch campus or by students from any county.
- Makes additional changes to update the EOG statutes.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill 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:

History: The Legislature established the EOG in 1990 as one of three strategies designed to address the need for greater access to upper division baccalaureate education. The other strategies included lifting enrollment lids at the four-year institutions and creating branch campuses of the University of Washington and Washington State University to serve students living in the state's urban areas.

The EOG was created 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.

Eligibility: 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.

HECB Review: In 2000 the HECB completed a review of the EOG program. Several changes were recommended 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.

Summary of Substitute Bill:

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.

Student Eligibility: 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.

Use of Grant: The 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.

Other Issues: The EOG is no longer considered a demonstration project.

Substitute Bill Compared to Original Bill:

Rather than changing the amount of the EOG to a minimum of \$2,500, the current law is retained where the maximum EOG is \$2,500, not to exceed a student's demonstrated financial need.

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: The EOG needs to be updated to reflect concerns about placebound students living elsewhere in the state and not immediately adjacent to a branch campus. There are historical reasons for why the program is structured as it is, but with the passage of time it is increasingly difficult to explain why someone in Tacoma is considered placebound, but someone in Republic is not. This is the state's only financial aid program specifically aimed at upper division education. Evaluations have shown that students who receive the EOG's are lower income and more likely to be single parents and that this program helps them complete a degree.

(With concerns) Full funding for the State Need Grant must remain the state's highest priority. The level of the Grant at \$2,500 is small enough in today's dollars to raise the question of whether it provides an adequate incentive for students to consider attending a private institution that has capacity for students. This was one of the original premises behind the EOG. If you expand eligibility for the program by removing the geographic restrictions, you need to consider adding money to meet additional demand.

Testimony Against: None.

Testified: (In support) Representative Kenney, prime sponsor; Bruce Botka, Higher Education Coordinating Board; Brooke Lather, Washington Student Lobby; and Terry Teale, Council of Presidents..

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