

HOUSE BILL REPORT

HB 2955

As Reported by House Committee On:

Higher Education
Appropriations

Title: An act relating to creating the Washington free to finish college program.

Brief Description: Creating the Washington free to finish college program.

Sponsors: Representatives Hansen, Stanford, Ormsby, Frame and Haler.

Brief History:

Committee Activity:

Higher Education: 2/3/16, 2/5/16 [DPS];

Appropriations: 2/8/16, 2/9/16 [DP2S(w/o sub HE)].

Brief Summary of Second Substitute Bill

- Creates the Washington Free to Finish College program (Program), which offers grant awards to cover the cost of tuition and fees for eligible students who are 15 credits or less away from completing a postsecondary education degree or credential but have not been enrolled in a degree or certificate program three years prior to their first quarter or semester of re-enrollment in a public institution of higher education.
- Requires the Office of Student Financial Assistance to report to the Legislature on the impact of the Program by December 1, 2017, and every December 1 thereafter.
- Requires a third-party evaluation due November 1, 2020, on the impacts, cost of the program, and an assessment of student services provided to students in the program.
- Includes a null and void clause.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass.
Signed by 12 members: Representatives Hansen, Chair; Pollet, Vice Chair; Zeiger, Ranking

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Minority Member; Haler, Assistant Ranking Minority Member; Bergquist, Frame, Holy, Reykdal, Sells, Stambaugh, Tarleton and Van Werven.

Minority Report: Without recommendation. Signed by 1 member: Representative Hargrove.

Staff: Megan Mulvihill (786-7304).

Background:

Recapture Programs.

Programs that try to entice students back to college after the student withdrew with a few credits short of graduating are often referred to as recapture programs. An example of a recapture program was Western Washington University's (Western) Destination Graduation program. The program helped students who dropped out of Western in good academic standing return to Western to graduate by reducing barriers to re-entry. The program targeted re-entry students who earned at least 140 credits prior to leaving and did not complete their degree elsewhere. Western estimates that since the fall of 2007, more than 1,200 students that fit this criteria left before graduating. Many of the reasons given for leaving include health, family, and financial issues. The program helped over 181 students return to Western and complete their degree.

Free Tuition Programs.

In the last couple of years many programs have been introduced to establish a form of free tuition for certain students, mostly focused around free community or technical college. Tennessee and Oregon have both passed versions of these programs, known as promise programs, in which recent high school graduates attending community and technical colleges will receive a grant to cover any remaining tuition costs after grant aid. Minnesota also introduced a pilot program that covers any remaining tuition cost after grant aid for students seeking a credential in a high-demand program.

Summary of Substitute Bill:

The Washington Free to Finish College program (Program) is created. The Office of Student Financial Assistance (Office) must award grants to cover the cost of tuition fees and services and activities fees, minus any gift aid received, for eligible students. To be eligible, the student needs to:

- be a Washington resident;
- not previously have earned a postsecondary degree or certificate;
- be enrolled at an institution of higher education but not enrolled for the past three years prior to the first quarter or semester of re-enrollment under the Program;
- have no more than 15 quarter or semester credits remaining in his or her program of study; and
- submit the Free Application for Federal Student Aid (FAFSA) or Washington Application for State Financial Aid.

The Office is granted rule-making authority for the Program, and the Office must report to the Legislature regarding the impact of the Program by December 1, 2017, and every December 1 thereafter, including:

- the number of applicants;
- the number of students served;
- program costs;
- participant demographics;
- enrollment status, meaning part time versus full time;
- field of study; and
- any other information deemed relevant.

The Office must also contract with a third party to evaluate the program. The evaluation must address the impacts and cost of the Program and assess student support services provided to students in the Program. The third-party evaluation is due by November 1, 2020.

A null and void clause is included.

Substitute Bill Compared to Original Bill:

The eligibility for the program is changed. Instead of requiring a student to not be enrolled the prior quarter or semester of re-enrollment, the student must not have been enrolled the past three years prior to their first quarter or semester of re-enrollment under the Program in an institution of higher education. In addition, "program of study" was changed to "degree or certificate program," and a null and void clause was added to the substitute bill.

Appropriation: None.

Fiscal Note: Available.

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) There are a number of reasons that students interrupt their studies and do not finish: health, finances, military services, child care needs, etc. Sometimes life gets in the way. The Legislature wants to send a clear message to these students to come back and finish. This Program is for those who do not already have a degree or certificate; they only have 15 quarter or semester credits left, and they have maintained satisfactory progress.

The second most likely time a student is to drop out is after four years. At Central Washington University, the staff estimate that there are over 1,100 students who could benefit from this Program because they dropped out after four years. Western had a similar program, and there are estimates that at least 1,000 former students qualify. The number of people with some college but no degree is 15 times larger than one year of the state's high school graduates. Thousands of students could benefit from removing the financial barrier to returning to college. A minimal financial investment could make a tremendous difference.

This Program would help the state reach its educational attainment goals, and it aligns with the Student Achievement Council's recent Roadmap report, which talks about the need to re-engage adults. Washington is one of only 11 states where the upcoming population is going to be less educated than the current population. This is a small investment to move the ball forward.

Many of these kinds of students who left before finishing college need the most advising, especially in regard to figuring out transfer credits. Therefore, the need for student support services and advisors is also important for this Program. The Council assumes that if the total amount of funding was not provided, that there is authority to create priority criteria. The institutions who are eligible for the Program should be defined. It is not clear whether this applies to only public institutions or also private ones.

(Opposed) None.

Persons Testifying: James Gaudino, Central Washington University; Paul Francis, Council of the Presidents; Becca Kenna-Schenk, Western Washington University; Colleen Rust, The Evergreen State College; Rachelle Sharpe, Washington Student Achievement Council; and David Buri, Eastern Washington University.

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 Higher Education. Signed by 22 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Cody, Fitzgibbon, Haler, Hansen, Harris, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, Magendanz, Pettigrew, Robinson, Sawyer, Senn, Springer, Stokesbary, Sullivan, Tharinger and Van Werven.

Minority Report: Do not pass. Signed by 9 members: Representatives Chandler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Condotta, Dent, MacEwen, Schmick and Taylor.

Staff: Catrina Lucero (786-7192).

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

The definition of "gift aid" is amended to include any other federal grant, benefit, or scholarship that provides funds for educational purposes with no obligation of repayment.

Appropriation: None.

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) This provides a good return on Washington's investment. The second most common time that students drop out is in their last year. Oftentimes this is due to a loss of financial aid. The state will graduate many more students by paying for just one quarter of tuition. In 2007 Western Washington University (WWU) launched a similar recapture initiative. The WWU was able to reach out to former students who had left the institution with 40 credits or less before they were eligible to graduate. The program was able to re-enroll 229 students, 181 of whom graduated. With ongoing state support the program could be restarted and reach more returning adult students. The WWU estimates that there may be 700 to 1,000 students who could benefit from the Free to Finish College program.

(Opposed) None.

Persons Testifying: Representative Hansen, prime sponsor; Steve DuPont, Central Washington University; and Becca Kenna-Schenk, Western Washington University.

Persons Signed In To Testify But Not Testifying: None.