

# SENATE BILL REPORT

## SSB 5074

---

As Passed Senate, January 24, 2018

**Title:** An act relating to eligibility for state financial aid programs.

**Brief Description:** Concerning eligibility for state financial aid programs.

**Sponsors:** Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Frockt, Hasegawa, Carlyle, McCoy, Rolfes, Mullet and Palumbo).

**Brief History:**

**Committee Activity:** Higher Education & Workforce Development: 1/11/18, 1/18/18 [DPS, DNP].

**Floor Activity:**

Passed Senate: 1/24/18, 38-11.

**Brief Summary of First Substitute Bill**

- Aligns residency requirements for certain state financial aid programs.
- Includes individuals granted Deferred Action for Childhood Arrivals (DACA) status, if they meet other statutory requirements, under the term resident student.
- Establishes the term nonresident student does not pertain to certain visa holders that meet other statutory requirements regarding residency.

---

**SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT**

**Majority Report:** That Substitute Senate Bill No. 5074 be substituted therefor, and the substitute bill do pass.

Signed by Senators Ranker, Chair; Palumbo, Vice Chair; Hawkins, Ranking Member; Carlyle, Liias, Miloscia and Nelson.

**Minority Report:** Do not pass.

Signed by Senators Ericksen and Short.

**Staff:** Kellee Gunn (786-7429)

---

*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.*

**Background: College Bound.** The College Bound scholarship is a need-based grant for low-income undergraduates whose current income is at or below 65 percent of the median family income. Eligible students must sign a pledge during their seventh or eighth grade years that includes a promise to maintain a 2.0 grade point average (GPA), on a 4.0 scale throughout high school, and have no felony convictions. At the completion of high school, the applicant must complete the Free Application for Federal Student Aid (FAFSA) or, if ineligible to apply for the FAFSA, the Washington Application for State Financial Aid (WASFA) and be accepted into an institution of higher education in Washington. Students without legal immigrant status are ineligible for federal financial aid.

**Higher Education Loan Program.** In 2009, the Higher Education Loan Program was authorized to provide low-cost loans and related loan benefits to eligible Washington students pursuing degrees, while avoiding duplication with available federal loan programs. The program has never been funded.

**Opportunity Scholarship.** The Opportunity Scholarship Program supports low and middle-income resident students whose income is at or below 125 percent of the state median family income pursuing eligible high demand majors in science, technology, engineering, mathematics, and health care, and encourages scholarship recipients to work in the state upon completion of their degrees. The scholarship is funded through state and private funds, by way of public-private partnerships with businesses. To be eligible, the applicant must have earned a high school diploma or GED from a high school in Washington State, be working on a first bachelor's degree, enrolled in an eligible state college or university, have a cumulative GPA of 2.75, and completed a FAFSA or WASFA.

**Opportunity Grant Program.** The Opportunity Grant Program provides funds to low-income students whose income is at or below 200 percent of the federal poverty level for up to one year of a full-time college or a certificate program in a high-wage, high-demand career at a community and technical college. Some funding is also provided for books and supplies. To be eligible, the applicant must maintain a 2.0 GPA, be a resident, and complete a FAFSA or WASFA.

**State Need Grant (SNG).** The SNG is a need-based grant for low-income undergraduates whose current income is at or below 50 percent of median family income (MFI). Those between 50 percent and 70 percent of MFI receive a prorated award. To be eligible, undergraduates must:

- attend classes at an eligible institution;
- pursue a first bachelor's degree, associate degree, or certificate in any field of study excluding theology;
- make satisfactory academic progress;
- not exceed five years; and
- not owe repayment to another student aid program.

The Legislature passed Senate Bill 6523 in 2014—the Real Hope Act—which extended eligibility of the SNG to those with Deferred Action for Childhood Arrivals (DACA) status.

DACA. On June 15, 2012, the Department of Homeland Security announced that certain individuals who came to the United States as children could be granted DACA status. The status was for a period of two years and was subject to renewal.

When requesting consideration of DACA from United States Citizenship and Immigration Services (USCIS), an individual would submit evidence, including support documents, showing that they met the following:

- was under 31 years of age as of June 15, 2012;
- came to the United States while under the age of 16;
- has continuously resided in the United States from June 15, 2007 to the present;
- was physically present in the United States on June 15, 2012, and at the time of making the request for consideration of deferred action with USCIS;
- had no lawful status as of June 15, 2012;
- was currently in school, had graduated from high school, had obtained a GED, or had been honorably discharged from the Coast Guard or armed forces;
- had not been convicted of a felony offense, a significant misdemeanor, or more than three misdemeanors of any kind; and
- did not pose a threat to national security or public safety.

As of September 5, 2017, USCIS stopped accepting initial or renewal requests for individuals applying for DACA status.

1079 Standard. In 2003, the Legislature passed HB 1079, which allows eligible undocumented students to pay in state tuition at state universities and colleges if they meet all of the following criteria:

- received a diploma from a high school or the equivalent in Washington State;
- lived in the state for at least three calendar years prior to receiving their diploma or equivalent; and
- continuously lived in the state since receiving the high school diploma.

Eligible students must provide, to the institution, an affidavit indicating they will file an application to become a permanent resident at the earliest opportunity and are willing to engage in other activities necessary to acquire citizenship including, but not limited to, citizenship or civics courses.

**Summary of First Substitute Bill:** Expands 1079 Standard. Individuals who were granted DACA status before, on, or after the effective date of the bill, or who have met domicile requirements currently required in statute, are included in the 1079 standard.

Aligns Residency Requirements for Certain State Financial Aid Programs. For College Bound applicants, and any applicants to the Higher Education Loan Program, the standard for residency includes eligible undocumented students covered under the extended 1079 standard.

Financial Aid Applications. Affirms that applicants to the Opportunity Grant Program, Opportunity Scholarship Program, and SNG may submit a WASFA if ineligible to apply for the FAFSA.

Nonresident Student. The term nonresident student does not apply to:

- a lawful permanent resident;
- a temporary resident;
- a person who holds a refugee-parolee, conditional entrant, or a U or T nonimmigrant status with the USCIS;
- a person who has been issued an employment authorization document by the USCIS agency that is valid as of the date the person's residency status is determined, or
- a person who is otherwise permanently residing in the United States under the law, including deferred action status.

The applicant must meet other requirements in statute regarding domicile, or residency, to be considered a resident.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on First Substitute:** PRO: This bill finishes an unfinished piece of the Real Hope Act. It is important to take this next step to show young people that this state provides opportunities. House Bill 1079 allowed undocumented students to qualify for resident tuition and was followed by the Real Hope Act in 2014. This bill would close an important loop to remove confusion with students and institutions. This bill affirms access to the Opportunity Scholarship and streamlines the process for scholars to renew once they've been selected. We cannot afford to lose a single student. College Bound has given hope to immigrants, refugees, and people of lower income status. These children are the hope for meeting the work needs of this state.

There are many undocumented students who do not have DACA. Being undocumented, and being without DACA, makes college unaffordable. Many of these students were brought to the United States for a better life. This bill helps unlock the full potential of students that the state has already invested in. The lives of these students are uncertain and they have financial barriers. This bill is truly about open access and inclusion. In this political climate, undocumented students are nervous. This bill shows that the state is putting students' needs first. This is consistent with the state constitution that promises rights to all children residing within its borders. Teachers do not know who is, or is not, undocumented and are committed to their students' success. This bill makes the requirement for state residency the same across state financial aid programs, streamlines programs, and improves opportunities for students. Rescission of DACA has had a direct impact to the College Bound Scholarship. Most students do not find out they are undocumented until they apply for college. This bill removes an institutional obstacle to financial aid.

**Persons Testifying:** PRO: Senator David Frockt, Prime Sponsor; Becca Kenna-Schenk, Western Washington University; Alex Hur, Seattle Education Access, OneAmerica; Ruben Flores, State Board for Community and Technical Colleges; Daniela Suarez, State Board for

Community and Technical Colleges; Wendy Rader-Konofalski, Washington Education Association; Ricardo Sanchez, citizen; Violet Boyer, Independent Colleges of Washington; Becky Thompson, Washington Student Achievement Council; Jessica Monger, Washington State Opportunity Scholarship; Graciela Nunez, Washington State Labor Council, AFL-CIO; Senator Saldaña.

**Persons Signed In To Testify But Not Testifying:** No one.