
College & Workforce Development Committee

E2SSB 5393

Brief Description: Establishing a statewide free college program by changing the state need grant to the Washington college promise scholarship.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Palumbo, Rolfes, Frockt, McCoy, Wellman, Liias, Pedersen, Darneille, Dhingra, Van De Wege, Hunt, Wilson, C., Keiser and Kuderer; by request of Office of the Governor).

Brief Summary of Engrossed Second Substitute Bill

- Changes the State Need Grant program to the Washington College Promise Scholarship program.
- Makes the Washington College Promise Scholarship program an entitlement for eligible students with family incomes at or below 110 percent of the federal poverty level.
- Requires the Caseload Forecast Council to forecast the anticipated caseload for the Washington College Promise Scholarship program.

Hearing Date: 3/19/19

Staff: Megan Mulvihill (786-7304).

Background:

The State Need Grant.

The State Need Grant (SNG) is the state's largest financial aid program administered by the Student Achievement Council (Council). To be eligible for the program, a student needs to:

- be a Washington resident;
- have a household income of less than 70 percent of the state's median family income (MFI);

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- attend an eligible institution of higher education and maintain satisfactory academic progress;
- enroll with a minimum of three credits as an undergraduate student;
- be pursuing a first bachelor's degree, a certificate, or a first associate's degree in any field excluding theology; and
- not owe repayment to another student aid program.

The SNG award amount varies based on the institution of higher education the student attends and the student's family income. A student with a family income of 50 percent or less of the state's MFI will receive the maximum award amount, whereas a student who has a family income between 51 and 70 percent of the state MFI is eligible to receive a prorated award. For the 2018-19 academic year, 70 percent of the MFI for a family of four was \$61,500. The award is not full tuition and fees, but is based on a historical percentage calculation for each institution. For example, for the 2018-19 academic year, a maximum SNG award for the University of Washington was \$9,745, but tuition and fees were \$11,207. A maximum award for the public community and technical colleges was \$3,694, but tuition and fees were \$4,027. A SNG student may receive an award for up to five years or 125 percent of their program's length.

For 2018, 68,205 students received a SNG award, and over 22,600 were eligible, but did not receive an award due to funding limits.

The Caseload Forecast Council.

The Caseload Forecast Council (CFC) oversees the preparation and approval of the official state caseload forecasts. The CFC estimates the number of persons expected to meet entitlement requirements and require the service of certain programs or systems, such as public assistance programs, the common school and charter school systems, foster care, and the College Bound Scholarship program.

Summary of Bill:

Washington College Promise Scholarship Program.

The SNG program is changed to the Washington College Promise Scholarship (Promise Scholarship) program. The Office of Student Financial Assistance (Office) within the Council must administer the Promise Scholarship program.

Eligibility. A student is eligible for the Promise Scholarship if they meet the following requirements:

- has a family income at or below 70 percent of the state MFI, adjusted for family size;
- is enrolled, or accepted for enrollment, for at least three quarter credits or equivalent semester credits at an either an institution that has been authorized to participate in state financial aid programs or in a registered apprenticeship program;
- is a resident student;
- files an application for financial aid; and
- does not already have a baccalaureate degree or higher.

Entitlement. The Legislature is required to appropriate funding for the Promise Scholarship program for eligible students whose family income is at or below 110 percent of the federal poverty level (FPL), as these students are entitled to a Promise Scholarship. Allocations must be

made on the basis of estimated eligible participants enrolled in institutions and apprenticeship programs.

Award Amounts. The maximum Promise Scholarship award is based on the institution the student attends as follows:

- for public two or four-year institutions, the award is tuition and services and activities fees for 15 quarter credits or the equivalent;
- for private four-year institutions, the award is the lesser of either the award for a public four-year institution or the institution's tuition for 15 quarter credits or equivalent;
- for private two-year institutions, the award is the lesser of either the award for a public community or technical college or the institution's tuition for fifteen quarter credits or equivalent; and
- for apprenticeship programs, the award is tuition and fees, as determined by the Office, in addition to required program supplies and equipment.

Eligible students with family incomes at or below 110 percent of the FPL must receive a maximum Promise Scholarship award. Subject to funds appropriated, students with family incomes greater than 110 percent of the FPL, but no greater than 50 percent of the state MFI may also receive a maximum Promise Scholarship award. Eligible students who family incomes between 51 and 70 percent of the state MFI may receive a prorated award as follows:

Median Family Income Range	Percentage of Maximum Award
51-55 percent	70 percent
56-60 percent	65 percent
61-65 percent	60 percent
66-70 percent	50 percent

An eligible student enrolled part-time must receive a prorated scholarship.

Students can receive the Promise Scholarship for five years or 125 percent of the length of the program in which the student is enrolled. Students need to maintain satisfactory academic progress in order to remain eligible for the Promise Scholarship.

Forecasting. The CFC must estimate the anticipated caseload of the Promise Scholarship program.

Amended References.

"Needy student" or "needy" is amended to "student who demonstrates financial need" or "demonstrates financial need," and "State Need Grant" is changed to "Washington College Promise Scholarship program" throughout the higher education statutes.

The existing Washington Promise Scholarship program is repealed.

Appropriation: None.

Fiscal Note: Available.

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