

HOUSE BILL REPORT

ESSB 5321

As Reported by House Committee On:
College & Workforce Development

Title: An act relating to the college bound scholarship.

Brief Description: Expanding access to the college bound scholarship.

Sponsors: Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Nobles, Das, Dhingra, Frockt, Hasegawa, Lias, Lovelett, Nguyen, Randall, Saldaña, Stanford and Wilson, C.).

Brief History:

Committee Activity:

College & Workforce Development: 3/17/21, 3/24/21 [DPA].

**Brief Summary of Engrossed Substitute Bill
(As Amended By Committee)**

- Eliminates the pledge requirement for College Bound Scholarship (CBS) eligibility and requires the Washington Student Achievement Council to automatically enroll all eligible students.
- Vests a student's right in the CBS program upon enrollment, assuming the student meets the requirements of the program.
- Expands eligibility to free and reduced price lunch (FRPL) eligible ninth graders, and in some circumstances tenth graders, and to all seventh, eighth, and ninth grade students enrolled in schools using Provision 2 or the Community Eligibility Provision rather than FRPL.
- Adds a \$500 book and material stipend for CBS eligible students who, at high school graduation, have a family income that exceeds 65 percent of the state median family income (MFI), but is less than 100 percent of the state MFI.
- Modifies the grade point average requirement for receipt of a CBS.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

HOUSE COMMITTEE ON COLLEGE & WORKFORCE DEVELOPMENT

Majority Report: Do pass as amended. Signed by 8 members: Representatives Slatter, Chair; Entenman, Vice Chair; Leavitt, Vice Chair; Hansen, Paul, Pollet, Sells and Sutherland.

Minority Report: Do not pass. Signed by 5 members: Representatives Chambers, Ranking Minority Member; Jacobsen, Assistant Ranking Minority Member; Chandler, Hoff and Kraft.

Staff: Megan Mulvihill (786-7304).

Background:

College Bound Scholarship.

The College Bound Scholarship (CBS) program was established in 2007 to provide guaranteed four-year tuition to students from low-income families. The first CBS awards were granted to the graduating high school class of 2012. Eligible students for the CBS include those who:

- qualify for free or reduced-price lunches (FRPL) in the seventh grade, eighth grade, or in certain circumstances, ninth grade; or
- are independent from parents or guardians, or are receiving extended foster care services; and
- are in grades 7 through 12; or
- are between the ages of 18 and 21 years and have not graduated from high school.

A student may also be eligible if they were a dependent who was adopted between the ages of 14 and 18 with a negotiated adoption agreement that includes continued eligibility in the CBS program.

Beginning in the seventh grade, eligible students are notified of their eligibility and the requirements for the scholarship. To be eligible for the CBS, a student must sign a pledge during the seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and no felony convictions.

To receive the CBS, the student must graduate having fulfilled the CBS pledge requirements. Upon graduation, the student's family income will be assessed and if it does not exceed 65 percent of the state median family income (MFI), the student will receive a scholarship. The CBS recipients who attend public two-year or four-year institutions of higher education receive an award to cover the cost of tuition and fees, minus any state-funded grant, scholarship, or waiver assistance. The CBS recipient also receives \$500 for books and materials. The student must maintain satisfactory academic progress and may not receive the scholarship for more than four full-time years.

Community Eligibility Provision and Provision 2.

The Community Eligibility Provision (CEP) of the federal Healthy, Hunger-Free Kids Act and Provision 2 of the National School Lunch Act provide an alternative to household applications for FRPL by allowing schools with high numbers of low-income students to serve free meals to all students. A school, group of schools, or district is eligible for the CEP if at least 40 percent of its students are identified as eligible for free meals through means other than household applications, such as students directly certified through the Basic Food program; the Temporary Assistance for Needy Families (TANF); and foster, homeless, and migrant students. There were 398 schools participating in CEP during the 2020-21 school year.

Under Provision 2, in year one, a school makes FRPL eligibility determinations and reports daily meal counts by type for federal meal reimbursement, but all students are served at no charge. In years two through four, a school continues to serve all children at no charge, but counts only the total number of reimbursable meals served. There were 29 schools participating in Provision 2 during the 2020-21 school year.

Summary of Amended Bill:

Eligibility for the CBS is expanded in two ways. First, all ninth grade students who qualify for FRPL are CBS eligible, and tenth grade students who were previously ineligible for FRPL while attending school in Washington, but qualify for FRPL while in the tenth grade are CBS eligible. Second, all seventh, eighth, and ninth grade students enrolled at schools that use Provision 2 or the CEP are CBS eligible.

The requirement that a student sign a pledge in order to be eligible for the CBS is eliminated. The Washington Student Achievement Council (WSAC) must automatically enroll all eligible students in the CBS program, with no action from the student, the student's family, or the student's guardians. The WSAC must notify an eligible student and their parents or guardians of the student's enrollment in the CBS program and the requirements for receiving a CBS award. The Office of the Superintendent of Public Instruction and the Department of Children, Youth, and Families must provide the WSAC with a list of eligible students when requested. The WSAC must develop effective methods to notify eligible students of their enrollment in the CBS program and the requirements to receive an award. To the maximum extent practicable, eligible students must acknowledge enrollment in the CBS program and receipt of the requirements to receive an award. The WSAC must also make available to every school district information, brochures, and posters to increase awareness and to enable school districts to notify eligible students directly or through school teachers, counselors, or school activities.

The Legislature intends to create a statutory contractual right for CBS students. The right of an eligible student to receive a CBS award vests upon enrollment in the CBS program, assuming the student meets the CBS program requirements.

Eligible students who, at graduation, have a family income that exceeds 65 percent of the state MFI and are divested of their CBS, are entitled to a \$500 stipend for books, materials, and other scholastic purposes if their family income does not exceed 100 percent of the state MFI. Eligible students who have a grade point average (GPA) of C or higher may enroll directly into a public or private four-year institution of higher education. Students who do not have a C average may enroll in a community or technical college. All CBS students must enroll in a higher education institution no later than one academic year following high school graduation and must use the four full-time years' worth of scholarship within a five-year period.

The CBS program changes are retroactively applied to seventh grade students beginning with the 2019-20 school year.

Amended Bill Compared to Engrossed Substitute Bill:

The amended bill made four changes:

1. expanded CBS eligibility by including all eligible ninth graders in automatic enrollment and by including tenth graders who were previously ineligible in the seventh, eighth, and ninth grades but become eligible for FRPL in the tenth grade;
2. expanded CBS eligibility to all seventh, eighth, and ninth graders at schools using Provision 2 or the CEP;
3. added a \$500 stipend for students who are divested of their CBS award because their family income exceeded 65 percent of the state MFI at graduation, but does not exceed 100 percent of the state MFI; and
4. permits a CBS student who does not have a C average GPA to attend a community or technical college directly out of high school.

Appropriation: None.

Fiscal Note: Available. A new fiscal note was requested on March 24, 2021.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) Research consistently shows that the CBS improves college enrollment and retention. Automatic enrollment would expand access to the CBS to students across the state. There are about 10,000 eligible students who do not receive the CBS because they do not return the pledge. The COVID-19 pandemic has exacerbated this as sign-up rates are 10 percentage points below last year. The pledge can be a barrier because a parent could have a brain injury, refuse to sign it, or not know they need to sign it. Chasing down paperwork is not an efficient use of time. This proposal removes the pledge requirement as a qualifier,

while maintaining strong language to keep the state's contractual obligation. In order for this program to exist as a contractual obligation and as an entitlement, it is important to have criteria for students to achieve. There may be criteria other than a 2.0 GPA and lack of felony convictions that are more appropriate. Further increasing access to financial aid will help create pathways to economic security, tackle equity gaps, and raise educational attainment. Currently, different schools have different sign-up rates, but eliminating the pledge would remove these regional disparities. One in four kids do not know it is possible to attend college, and studies show that when students know about available aid, enrollment increases by 25 percent. An investment in students is also an investment in communities.

(Opposed) None.

Persons Testifying: Senator Nobles, prime sponsor; Marc Webster, Washington Student Achievement Council; Jenee Myers-Twitchell, Washington STEM; Jude Ahmed, Washington Student Association; Shea Hamilton, Independent Colleges of Washington; Rosie Ayala, Foundation for Tacoma Students; Juliette Schindler Kelly, College Success Foundation; and Casey Parrott, TRiO Talent Search.

Persons Signed In To Testify But Not Testifying: None.