

HOUSE BILL REPORT

HB 2214

As Reported by House Committee On:

Postsecondary Education & Workforce
Appropriations

Title: An act relating to permitting beneficiaries of public assistance programs to automatically qualify as income-eligible for the purpose of receiving the Washington college grant.

Brief Description: Permitting beneficiaries of public assistance programs to automatically qualify as income-eligible for the purpose of receiving the Washington college grant.

Sponsors: Representatives Slatter, Bergquist, Chopp, Ramel, Reeves, Paul, Morgan, Gregerson, Ormsby, Alvarado, Reed, Fosse, Macri, Goodman, Pollet, Leavitt, Timmons, Davis, Riccelli and Duerr; by request of Student Achievement Council.

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 1/17/24, 1/23/24 [DPS];

Appropriations: 2/1/24, 2/3/24 [DP2S(w/o sub PEW)].

Brief Summary of Second Substitute Bill

- Allows individuals who receive benefits under the Basic Food Program or the Food Assistance Program to automatically qualify as income-eligible for the Washington College Grant.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Slatter, Chair; Entenman, Vice Chair; Reed, Vice Chair; Ybarra, Ranking Minority Member; Waters, Assistant Ranking Minority Member; Chandler, Leavitt, Nance, Paul, Pollet, Schmidt and Timmons.

Minority Report: Without recommendation. Signed by 3 members: Representatives

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.

Jacobsen, Klicker and McEntire.

Staff: Saranda Ross (786-7068).

Background:

Washington College Grant.

The Washington College Grant (WCG) is the state's largest financial aid program and provides grants to low-income students to pursue postsecondary education. The WCG is an entitlement program administered by the Washington Student Achievement Council (WSAC) with guaranteed grants for students who qualify. To qualify, a student must:

- demonstrate financial need;
- be a state resident;
- be enrolled at a Washington higher education institution or be enrolled in an approved, registered apprenticeship program;
- file a financial aid application; and
- not already have a bachelor's degree or higher.

Students can demonstrate financial need by meeting income requirements or by the WSAC confirming the student's participation in one of the following state public assistance programs: Aged, Blind, or Disabled Assistance Benefits; Essential Needs and Housing Support; or Pregnant Women Assistance. A student in grade 10, 11, or 12 can demonstrate financial need if their parent or legal guardian receives benefits under one of these public assistance programs and they receive a certificate from the WSAC validating their WCG financial need eligibility. This certificate validates the student's WCG financial need eligibility for one year after high school graduation upon enrollment in a higher education institution, provided the student meets the other WCG eligibility requirements.

The Department of Social and Health Services (DSHS) releases an annual list of individuals participating in the public assistance programs listed above so the WSAC can confirm student eligibility for the WCG.

The WCG award amounts vary based on the institution the student attends and the student's financial need. Financial need is based on the state's median family income (MFI) and the student's family size. The WCG awards are prorated based on the student's family income level as follows:

Median Family Income	Grant Award Amount
0-55 percent of state MFI	Maximum Award
56-60 percent of state MFI	70 percent
61-65 percent of state MFI	60 percent
66-70 percent of state MFI	50 percent

71-75 percent of state MFI	24.5 percent
76-100 percent of state MFI	10 percent

The maximum WCG award covers tuition, and services and activities fees, for 15 quarter credits or the equivalent at the state's public institutions. A student is eligible to receive the WCG for five years or up to 125 percent of the published length of the student's program.

Federal and State Basic Food Programs.

Washington's Basic Food Program (Basic Food) is administered by the DSHS and provides food assistance to eligible low-income individuals and families. Basic Food includes both the federally funded Supplemental Nutrition Assistance Program (SNAP) and the state-funded Food Assistance Program (FAP). The FAP is for individuals who are legal immigrants and meet all eligibility requirements for SNAP except for citizenship and immigration status. Generally, an individual must be at or below 200 percent of the federal poverty level to be eligible for benefits. Congress authorizes funding and establishes SNAP requirements. Students taking at least six credits at an institution of higher education are ineligible to receive Basic Food unless they:

- are age 17 or younger;
- are age 50 or older;
- are physically or mentally unable to work;
- have paid employment and work an average of at least 20 hours per week each month;
- are self-employed, work, and earn at least the amount they would earn working an average of 20 hours per week at the federal minimum wage each month; or
- were participating in a state or federal work-study program during the regular school year.

Financial Aid Applications.

The Free Application for Federal Student Aid (FAFSA) is a federal financial aid application used to determine a student's eligibility for federal financial aid. The Washington Application for State Financial Aid (WASFA) is used by students who do not fill out a FAFSA, which includes undocumented students or those who do not qualify due to immigration status. The WASFA is used to qualify such students for state financial aid.

Summary of Substitute Bill:

Beginning in the 2025-26 academic year, tenth, eleventh, and twelfth grade students who receive Basic Food or FAP benefits automatically qualify as income-eligible for the WCG. The WSAC must certify income eligibility for these students. Beginning in the 2027-28 academic year, any individual who receives Basic Food or FAP benefits automatically qualifies as income-eligible for the WCG. Students whose income eligibility for the WCG has been established by their participation in Basic Food or the FAP must receive an annual

notice about the importance of submitting a FAFSA or WASFA and a notice that they may establish eligibility for additional state and federal aid by submitting a FAFSA or WASFA.

The annual list of individuals participating in the public assistance programs shared by the DSHS with the WSAC may only be shared to the extent allowable under state and federal law. The WSAC must submit a report to the Legislature by December 1, 2026, and each year thereafter, detailing WCG participation by students whose income eligibility for the WCG has been established by their participation in Basic Food or the FAP.

Substitute Bill Compared to Original Bill:

The substitute bill first allows tenth, eleventh, and twelfth grade students who receive Basic Food or FAP to qualify as income-eligible for the WCG. Two years later, any individual who receives Basic Food or FAP benefits may qualify as income-eligible for the WCG. The substitute bill also adds notification requirements and requires the WSAC to submit a report to the Legislature and certify income eligibility for tenth, eleventh, and twelfth grade students who receive Basic Food or FAP.

Appropriation: None.

Fiscal Note: Requested on January 10, 2024.

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) The WCG is one of the most generous and equitable financial aid grants in the nation. In order to receive the WCG and other federal aid, a student must fill out the FAFSA. However, doing so is a very daunting task that presents significant barriers to low-income students trying to access financial aid. When the uncertainty of whether a student qualifies for financial aid is removed and early guarantees are established, enrollment rates increase. This bill helps reach families who are already income-eligible for the WCG. It is helpful for students who are first generation, low income, nontraditional, and students of color to know that if they graduate high school, they can attend college. Currently, 70 percent of Basic Food and FAP participants do not have a college degree.

Washington has an enrollment crisis with overall enrollment down 10 percent from Fall 2019 to Fall 2022. Yet we offer some of the best financial aid opportunities in the country, which also has a significant impact on enrollment. From Fall 2019 to Fall 2022, enrollment increased 10 percent for students who received need-based aid and decreased 15 percent for those who did not. Too many students are unaware of their eligibility or discouraged by the FAFSA. This bill creates educational and career opportunities for students most in need.

This bill would require manual processing of financial aid applications, which can take up to 30 minutes per student. Washington's financial aid offices are already working at capacity so in order to meet the requirements of this bill, additional funding for processing is needed.

(Opposed) None.

Persons Testifying: Representative Vandana Slatter, prime sponsor; Bill Lyne, United Faculty of Washington State; Joel Anderson, Washington Student Achievement Council; Sam Ligon, Eastern Washington University; Jacob Vigdor, University of Washington; Bernadette Jungblut, Central Washington University; Terry Redmon, Economic Services Administration; Yokiko Hayashi-Saguil, Washington State Board for Community and Technical Colleges; Ben Mitchell, Foundation for Tacoma Students and High School Success Coalition; Neil Strege, Washington Roundtable and High School Success Coalition; Emily Portillo, United Way of King County; Juniper Campbell, Geoduck Student Union of The Evergreen State College; Bryce McKibben, The Hope Center at Temple University; and Juliet Schindler, College Success Foundation.

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 Postsecondary Education & Workforce. Signed by 19 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Berg, Callan, Chopp, Davis, Fitzgibbon, Lekanoff, Pollet, Riccelli, Ryu, Senn, Simmons, Slatter, Springer, Stonier and Tharinger.

Minority Report: Do not pass. Signed by 7 members: Representatives Chambers, Assistant Ranking Minority Member; Couture, Assistant Ranking Minority Member; Dye, Rude, Sandlin, Schmick and Wilcox.

Minority Report: Without recommendation. Signed by 3 members: Representatives Corry, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Harris.

Staff: Kate Henry (786-7349).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Postsecondary Education & Workforce:

The second substitute bill:

- limits the ability to qualify as income-eligible for the Washington College Grant (WCG) to tenth, eleventh, and twelfth grade students who receive Basic Food or Food Assistance Program benefits; and
- adds a null and void clause.

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) The WCG is one of the most generous and equitable financial aid grants in the nation. In order to receive the WCG and other federal aid, a student must fill out the FAFSA. However, doing so can be a significant barrier to low-income students trying to access financial aid. Currently, 70 percent of Basic Food and Food Assistance Program participants do not have a college degree. With this bill more people can begin on a path towards a postsecondary credential.

When early guarantees are established and students are notified of qualification, enrollment rates increase. This bill helps reach families who are already income-eligible for the WCG. Over 70 percent of Washington jobs require some form of postsecondary credential and our system needs to dramatically increase enrollment of Washington students.

(Opposed) None.

Persons Testifying: Representative Vandana Slatter, prime sponsor; Joel Anderson, Washington Student Achievement Council; Collin Bannister, Washington Student Association; and Neil Strege, Washington Roundtable.

Persons Signed In To Testify But Not Testifying: None.