## SENATE BILL REPORT 2SHB 2214

#### As of February 24, 2024

**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:** House Committee on Appropriations (originally sponsored by 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: Passed House: 2/9/24, 68-29.

Committee Activity: Higher Education & Workforce Development: 2/16/24, 2/21/24 [DP-WM, w/oRec].
Ways & Means: 2/24/24.

#### **Brief Summary of Bill**

• Expands demonstration of financial need for Washington College Grant eligibility to include students who participate in Washington's Basic Food Program or the Food Assistance Program in the 10th, 11th, or 12th grade.

# SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

**Majority Report:** Do pass and be referred to Committee on Ways & Means. Signed by Senators Nobles, Chair; Hansen, Vice Chair; Randall.

**Minority Report:** That it be referred without recommendation. Signed by Senators Holy, Ranking Member; Hawkins.

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.

### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Michele Alishahi (786-7433)

**Background:** <u>Washington College Grant.</u> The State Need Grant was modified in 2019 and renamed the Washington College Grant (WCG). The WCG is the state's largest financial aid program, and provides awards to low-income students to pursue postsecondary education. The WCG is an entitlement program with guaranteed awards for those students who qualify. The WCG award amount varies based on the institution the student attends and the student's family income. For example, for students attending the state's public institutions, the maximum award is tuition and services and activities fees for 15 quarter credit hours or the equivalent. For students attending private, four-year, not-for-profit higher education institutions, in 2019-20 the maximum award was \$9,739.

Students can demonstrate financial need by meeting income requirements or by the Washington Student Achievement Council (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.

<u>Federal and State Basic Food Programs.</u> Washington's Basic Food Program (Basic Food) is administered by the Department of Social and Health Services (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 statefunded 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.

**Summary of Bill:** Beginning in the 2025-26 academic year, 10th, 11th, and 12th grade students who receive Basic Food or FAP benefits automatically qualify as income-eligible for the WCG. WSAC must certify income eligibility for these students. 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 Free Application for Student Aid (FAFSA) or Washington Application for Student Aid (WASFA) and a notice that they may establish eligibility for additional state and federal aid by submitting a FAFSA or WASFA.

DSHS is required to share program participant data with WSAC. The annual list of individuals participating in the public assistance programs shared by DSHS with WSAC may only be shared to the extent allowable under state and federal law.

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.

**Appropriation:** The bill contains a null and void clause requiring specific funding be provided in an omnibus appropriation act.

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 (Higher Education & Workforce Development):** PRO: We want to allow 10th, 11th, and 12th grade students to know that if they are receiving food assistance benefits they qualify for the Washington College Grant. The bill will cut through confusion. Prequalifying students as this bill does for financial aid is enormously beneficial. It reduces uncertainty. Like this proposed bill, we found that promising students that aid would be available doubled the numbers of lower income students who applied and enrolled. Flipping the narrative so that the promise of aid comes first makes a significant difference for students. This is an innovative opportunity to remove the what-ifs for prospective students. This bill is just a lever that we can move to make that process just a little bit smoother. What we find when we talk to students who didn't go to postsecondary education, cost is the primary barrier. Our financial aid offices across the state need time to navigate any changes. This will remove additional bureaucracy that is often discouraging for students. There is a huge gap on our campus between students who are likely eligible and those who actually receive it. This removes a significant barrier.

**Persons Testifying (Higher Education & Workforce Development):** PRO: Representative Vandana Slatter, Prime Sponsor; Joel Anderson, Washington Student Achievement Council; Jacob Vigdor, University of Washington Faculty; Annette Anderson, Black Education Strategy Roundtable; Neil Strege, Washington Roundtable; Daniel Ngoy, Bellevue College ASG; Yokiko Hayashi-Saguil, Washington State Board for Community and Technical Colleges; Kyra Sung, South Puget Sound Community College AS; Susan Dynarski.

**Persons Signed In To Testify But Not Testifying (Higher Education & Workforce Development):** No one.

**Staff Summary of Public Testimony (Ways & Means):** PRO: This agency request legislation was funded in both the Governor's budget and the House budget. We recognize that financial aid forms still can be a barrier to low-income students accessing financial aid. This bill provides us with an innovative opportunity to remove the what-ifs surrounding financial aid access and reach families that are already eligible for support, but that might believe that higher education is out of reach. More than 70 percent of jobs in Washington require a postsecondary credential, and currently 40 percent of students obtain such education. This bill could significantly increase opportunities for low-income students by letting them know they are eligible for the Washington College Grant. This bill contributes to streamlining the financial aid process for students are set for success.

**Persons Testifying (Ways & Means):** PRO: Joel Anderson, Washington Student Achievement Council; Neil Strege, Washington Roundtable; Mirian Mencias, Associated Students UW- Seattle .

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.