# SENATE BILL REPORT SB 6300

### As of February 3, 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:** Senators Randall, Nobles, Kuderer, Lovelett, Shewmake, Stanford and Valdez; by request of Student Achievement Council.

#### **Brief History:**

**Committee Activity:** Higher Education & Workforce Development: 1/26/24, 1/31/24 [DPS-WM, w/oRec].

Ways & Means: 2/03/24.

# **Brief Summary of First Substitute Bill**

• Expands demonstration of financial need for Washington College Grant eligibility to include students who participate in Washington's Basic Food Program, the Food Assistance Program, or Apple Health for Kids.

# SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

**Majority Report:** That Substitute Senate Bill No. 6300 be substituted therefor, and the substitute bill 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.

**Staff:** Alicia Kinne-Clawson (786-7407)

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.

<u>Apple Health for Kids.</u> The Health Care Authority (HCA) administers Apple Health, the state-federal Medicaid program that provides health care for eligible low-income individuals. Apple Health for Kids is free for all children in families below 210 percent of the federal poverty level and families above that level may be eligible for the same coverage at a low cost.

**Summary of Bill (First Substitute):** Beginning in 2025-26, a student can demonstrate financial need for the purposes of Washington college grant eligibility through receipt of Apple Health for Kids coverage if their family income is as or below 210 percent of the federal poverty line.

Beginning in 2025-26, a student in the tenth, eleventh, or twelfth grade can demonstrate financial need for Washington College Grant eligibility through receipt of Washington basic food program benefits or Washington food assistance benefits.

Beginning in 2027-28, any student can demonstrate financial need for the Washington College Grant eligibility through receipt of Washington basic food program benefits or Washington food assistance benefits.

DSHS and HCA are 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 federal law.

# **EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (First Substitute):**

- Clarifies that apple health for kids eligibility is limited to recipients with incomes at or below 210 percent of the federal poverty line.
- Provides staggered implementation dates for certification of eligibility via basic food benefits and apple health for kids.
- Requires HCA to share eligibility data with WSAC for the purposes outlined in the bill.

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 Original Bill (Higher Education & Workforce Development):** *The committee recommended a different version of the bill than what was heard.* PRO: This bill is about making sure that we don't make people prove that they are poor repeatedly. This bill will make it easier for students who may know that they want to go to college already. But some may not know because they don't think college is accessible to them. I'm excited to add Apple Health for kids because pediatricians are trusted adults who could be in conversations with their patients about what is next for them. When I found out I was going to receive the grant I thought I might be the first lawyer in my family. This is a bill that will engage with potential students and let them know they are qualified. The passage of this bill would signal a commitment to supporting our lowest income students. This is a good policy that will help many achieve the opportunity available to them. Notification of qualification will make a huge difference for many students. We see this bill as complimentary to the work our organization is doing to help students make decisions

about college. Too many potential students are unaware of eligibility for aid or discouraged by the FAFSA process. We strongly encourage all students to file a FAFSA or WSAFA but also recognize it is a significant barrier for many students. This bill builds on existing law to further remove the what-ifs for if you qualify. The promise of this bill is that for a large group of Washington residents, the process of receiving aid will now be automatic. This makes a difference in access and affordability. We ask for an amendment to give our colleges time to implement this change with a phased-in approach to allow financial aid office to adjust.

**Persons Testifying (Higher Education & Workforce Development):** PRO: Senator Emily Randall, Prime Sponsor; Bryce McKibben, The Hope Center at Temple University; Joel Anderson, Washington Student Achievement Council; Ben Mitchell, Foundation for Tacoma Students; Samuel Ligon, Eastern Washington University Faculty; Jennifer Dellinger, SBCTC; Jacob Vigdor, University of Washington Faculty; Isela Bonilla, Associated Students of WSU Vancouver; Michelle Carrillo, ASCWU Legislative Liaison; Collin Bannister, The Washington Student Association.

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

**Staff Summary of Public Testimony on First Substitute (Ways & Means):** PRO: This is an effort for students who are already receiving safety net programs that income qualify and align with the Washington College Grant income eligibility, it makes it a little easier for them to know that they'll receive the Grant should they choose to pursue college or post-secondary education. There's ample research that has shown early guarantee of financial aid drives higher rates of both enrollment and graduation from postsecondary programs low-income students. This bill helps remove the what-ifs surrounding financial aid awards. Not just for high school students but for adult learners in our workforce who have previously seen post-secondary education as unaffordable or out of reach.

**Persons Testifying (Ways & Means):** PRO: Senator Emily Randall, Prime Sponsor; Joel Anderson, Washington Student Achievement Council.

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