SENATE BILL REPORT SB 5402

As of January 28, 2025

Title: An act relating to modifying financial aid eligibility.

Brief Description: Modifying financial aid eligibility.

Sponsors: Senators Hansen, Chapman, Conway, Dhingra, Hasegawa, Liias, Lovelett, Lovick, Nobles, Riccelli, Shewmake, Slatter, Valdez and Wilson, C..

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/30/25.

Brief Summary of Bill

- Increases eligibility for the maximum Washington College Grant (WCG) award up to 70 percent of median family income.
- Modifies WCG awards for students between 71 and 100 percent of median family income.
- Entitles WCG students who are receiving the maximum WCG award, but who are not College Bound Scholarship recipients, to a Bridge Grant, which is an additional annual stipend for expenses beyond tuition and fees.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Kellee Gunn (786-7429)

Background: <u>Washington College Grant.</u> The State Need Grant was renamed in 2019 to 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

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amount of the award varies based on the institution and the student's family income. An eligible student may receive a WCG for five years or up to 125 percent of the published length of the student's program. Part-time students receive prorated awards. Since 2022, those with a median family income (MFI) of up to 65 percent have been eligible to receive the maximum college grant through the operating budget.

<u>Bridge Grant.</u> The 2022 supplemental operating budget and the 2023-25 biennial budget state provided funding for a Bridge Grant (Grant) of \$500 for WCG recipients receiving the maximum award. A student is eligible for the Grant if the student receives the maximum WCG award and does not receive the College Bound Scholarship. The Grant is an annual stipend awarded in addition to the WCG to provide supplementary financial support to low-income students to cover higher education expenses beyond tuition and fees, such as books, lab fees, supplies, technology, transportation, housing, and childcare.

Summary of Bill: <u>Washington College Grant.</u> The following income eligibility thresholds and award amounts apply to the WCG:

Median Family Income	Award Amount
0-70 percent of state MFI	maximum award
71-80 percent of state MFI	50 percent of maximum award
81-90 percent of state MFI	25 percent of maximum award
91-100 percent of state MFI	10 percent of maximum award

<u>Bridge Grants.</u> Grants are \$500 annual stipends provided in addition to the WCG to provide supplementary financial support to low-income students to cover higher education expenses beyond tuition and fees.

WCG recipients who are receiving a maximum WCG award are also entitled to receive a Grant, except those who are also College Bound Scholarship recipients.

Appropriation: None.

Fiscal Note: Requested on January 24, 2025.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.