

SENATE BILL REPORT

SB 5304

As Reported by Senate Committee On:
Ways & Means, February 21, 2011

Title: An act relating to forecasting the caseloads of the state need grant program and the Washington college bound scholarship program.

Brief Description: Requiring forecasting of caseloads of the state need grant program and the Washington college bound scholarship program.

Sponsors: Senators Kilmer, Brown, Rockefeller, Tom, Murray, McAuliffe and Shin.

Brief History:

Committee Activity: Ways & Means: 2/15/11, 2/21/11 [DP, w/oRec].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Brown, Conway, Fraser, Hatfield, Kastama, Keiser, Kohl-Welles, Pridemore, Regala, Rockefeller and Tom.

Minority Report: That it be referred without recommendation.

Signed by Senators Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Baxter, Hewitt, Holmquist Newbry, Honeyford and Schoesler.

Staff: Maria Hovde (786-7710)

Background: State Need Grant Program. The State Need Grant program provides financial assistance for up to five years to low-income undergraduate students attending public two- and four-year colleges and universities and certain accredited independent colleges, universities, and career schools in Washington. To be eligible, students must submit a Free Application for Federal Student Aid (FAFSA), have a family income of less than 70 percent of the state median, be Washington residents enrolled at eligible institutions, and meet other qualifications.

College Bound Scholarship Program. The College Bound Scholarship Program provides financial assistance for up to five years to low-income students attending public two- and

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

four-year colleges and universities and certain accredited independent colleges, universities, and career schools in Washington. To be eligible, students must qualify for free or reduced-price lunches and sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. If, at graduation from high school, the student's family income does not exceed 65 percent of the state median family income, the student will receive a scholarship for the amount of tuition and required fees not covered by other forms of assistance, such as the State Need Grant, plus \$500 for books and materials.

Caseload Forecast Council. The Caseload Forecast Council is responsible for developing forecasts for the changing caseloads in state entitlement programs. The caseload forecast is formally adopted by a council of six individuals, two appointed by the Governor and four appointed by the two largest political caucuses in the Senate and the House of Representatives. Caseload forecasts adopted by the council, along with any unofficial forecasts, are submitted to the Governor and the members of the legislative fiscal committees to facilitate budget development.

Summary of Bill: The Caseload Forecast Council is required (1) to forecast the anticipated number of students eligible for the State Need Grant Program and the College Bound Scholarship Program who are also expected to attend an institution of higher education, and (2) to submit these forecasts to the Governor and the members of the legislative fiscal committees to facilitate budget development.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: The state has made a commitment to the students in the College Bound Scholarship Program, and we are at risk of breaking that promise because of the unfunded liability associated with the program. The College Bound Scholarship Program is an entitlement program for which there are currently funds available for the first two cohorts beginning in Fiscal Year 2012. Having these caseloads forecasted will provide early and accurate information with which to make budget decisions and will provide greater visibility to these programs.

Persons Testifying: PRO: Senator Kilmer, prime sponsor; Rachelle Sharpe, Higher Education Coordinating Board.