

# HOUSE BILL REPORT

## SSB 5902

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**As Reported By House Committee On:**  
Higher Education

**Title:** An act relating to higher education.

**Brief Description:** Changing higher education financial aid provisions.

**Sponsors:** Senate Committee on Higher Education (originally sponsored by Senators Kohl-Welles, Sheahan and Shin).

**Brief History:**

**Committee Activity:**

Higher Education: 3/30/99, 3/31/99 [DPA].

**Brief Summary of Substitute Bill  
(As Amended by House Committee)**

- Endorses the Higher Education Coordinating Board's recommended changes to the State Need Grant Financial Aid program: requiring students to contribute to the cost of their education; requiring students to document their need for dependent care allowance; and giving the institutions the authority to continue grants for students whose income increases slightly.
- Limits a student's eligibility to receive a state need grant to the equivalent of five years or up to 125 percent of the student's program length. Five years must elapse between associate degrees earned with need grant assistance.
- Requires the Higher Education Coordinating Board to ensure that aid follows the student to the student's choice of institution.

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Carlson, Republican Co-Chair; Kenney, Democratic Co-Chair; Lantz, Democratic Vice Chair; Radcliff, Republican Vice Chair; Dunn; Edmonds; Esser and Gombosky.

**Staff:** Sherie Story (786-7120).

**Background:**

The 1969 Legislature created the State Need Grant program to help financially needy or disadvantaged Washington residents attend college. It is the state's oldest and largest student aid program. The 1998-99 funding level is \$72.4 million which will provide grants to about 50,000 students. The Higher Education Coordinating Board (HECB) administers the program.

In March 1998, the chairs of the House and Senate Higher Education committees asked the HECB, in consultation with the higher education community, to study the State Need Grant program and to develop recommendations prior to the 1999 session. In October 1998, the HECB adopted a set of recommendations and forwarded them to the Legislature.

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**Summary of Amended Bill:**

The Higher Education Coordinating Board's recommendations regarding the State Need Grant program are endorsed by the Legislature. These include:

- Reaffirming that the program is to assist low-income, needy and disadvantaged Washington students;
- Requiring students to contribute to the cost of their education from sources other than grants;
- Requiring students to document their need for a dependent care allowance; and
- Allowing institutions to continue grants for students whose income increased slightly.

A student's eligibility to receive a state need grant is limited to the equivalent of five years or up to 125 percent of the student's program length. A student is not allowed to earn two associate degrees as a state need grant recipient unless they are earned concurrently.

The board is required to ensure that state financial aid follows the student to the student's choice of institution.

Statutory references to a "student financial aid" program are changed to cite specifically the "state need grant" program.

**Amended Bill Compared to Substitute Bill:** The goal that state need grants will be based upon 100 percent of resident tuition is eliminated from the bill.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** The Higher Education Coordinating Board supports this bill and the bill as it was originally drafted with the goal of basing grants on tuition. The board understands that there are concerns with the cost of going rapidly to 100 percent of tuition for the grants, but is still interested in staying with the goal of basing grants on tuition. The board would work on and support language that would preserve the intent of moving toward the goal, but not imply moving there all at once. The Council of Presidents and the State Board for Community and Technical Colleges also support language that would preserve in the bill the concept of moving toward the goal of tuition-based grants. This is a concept that the entire higher education community worked on over the summer and it is important that it be maintained in some form in the bill. The Washington Student Lobby supports this bill in its entirety and encourages the committee to do the same.

**Testimony Against:** None.

**Testified:** Bruce Botka, Higher Education Coordinating Board; Terry Teale, Council of Presidents; Rhonda Coats, State Board for Community and Technical Colleges; and Justin Felker, Washington Student Lobby.