

SENATE BILL REPORT

2SHB 1140

As Reported By Senate Committee On:
Higher Education, March 31, 1999

Title: An act relating to higher education.

Brief Description: Changing higher education financial aid provisions.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Carlson, Kenney, Radcliff, Lantz, Dunn, Esser, Edmonds, Cooper, Campbell and K. Schmidt).

Brief History:

Committee Activity: Higher Education: 3/29/99, 3/31/99 [DPA].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended.

Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Finkbeiner, Horn, Jacobsen, McAuliffe, Sheahan and B. Sheldon.

Staff: Jean Six (786-7423)

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 administers the program.

In March 1998, the chairs of the House and Senate Higher Education committees asked the Higher Education Coordinating Board, 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 Higher Education Coordinating Board adopted a set of recommendations and forwarded them to the Legislature.

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. Five years must elapse between associate degrees earned with need grant assistance, 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 Second Substitute Bill: The state need grant program is based on public institutions' tuition rates and over time the goal is to fund the state need grant based on the rate of tuition charged to resident students attending Washington public colleges and universities.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This bill is a joint effort of the entire higher education committee. The flexibility regarding a change in student income is a very important policy change. The students, HECB, support the Senate version of the bill that includes the 100 percent goal. The HECB also aims to increase the income threshold to 65 percent of median family income. Dependent care allowance vital to CTC students.

Testimony Against: None.

Testified: PRO: Representative Don Carlson, Representative Phyllis Kenney, co-prime sponsors; Cody Benson, WSU, WSL; Burck Botka, HECB; Rhonda Coats, SBCTC.