
Higher Education Committee

HB 2534

Brief Description: Gaining independence for students by creating the educational assistance grant program for financially needy students with dependents.

Sponsors: Representatives Kenney, Cox, Kagi, Chase, Tokuda, Jarrett, Conway, Morell, Ogden, Edwards, Kessler, Haigh, Veloria, McIntire, Schual-Berke, Wood, Santos, McDermott and Linville.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">· Establishes a new grant program for needy students with dependents.

Hearing Date: 1/30/02

Staff: Antonio Sanchez (786-7383).

Background:

Washington state financial aid is guided by seven major policy goals:

- 1) ACCESS - An access policy tries to insure that students with the least ability to pay for a post-secondary education receive financial aid.
- 2) CHOICE - A choice policy is one in which the state provides a sufficient amount of financial aid to allow students to choose to attend private four colleges and proprietary schools.
- 3) PERSISTENCE - A persistence policy is one in which the state provides financial aid to students to encourage them to finish school.
- 4) MERIT - A policy of merit directs the state to provide aid to students record of past academic accomplishments.
- 5) AFFORDABILITY - A policy to address affordability assists middle-income students who may not be eligible for a state grant based on income but who still have difficulties paying for college.
- 6) CAREER CHOICE - A policy to encourage students to select or change careers has been addressed by providing assistance as a result of labor shortages, for workforce training, and in the development of economic development goals.
- 7) SPECIAL DISADVANTAGES GROUPS - The state has assisted students with certain disadvantages, unique living situations, or certain demographic characteristics. Students with

children or parents whom they must support are provides some financial aid assistance to offset their documented costs.

FINANCIAL AID ASSISTANCE FOR STUDENTS WITH DEPENDENTS

Under the State Need Grant program students with dependents are given a dependent care allowance in addition to the base grant. For the years 2001- 2002 the maximum allowance is \$618 per year for a full time student regardless of the number of qualifying dependents. The dependents must be living with the student and be someone other than the student's spouse. To receive the dependent care allowance the student must provide documentation that the dependent care expenses are needed. Students who have dependent care costs covered by another state agency or entity are not eligible for dependent care through the State Need Grant.

In 2000-01 , a total of 7,064 students received a total of \$3,112,250 in dependent care assistance.

Other student aid programs that provide dependent care assistance to students include; Working Connections; Worker Retraining Financial Aid; Training Completion Aid; Private Industry Councils, some individual higher education institutions, and some community based institutions provide assistance. Other than the State Need Grant Dependent Care Allowance, none of the other programs that assist students with dependent care are universally available to needy students.

According to a national study family child care costs on average between \$100 and \$150 per week. The disparity in costs for child care between urban and rural areas and between infants and toddlers is minimal.

Summary of Bill:

A financial aid grant program for needy students with dependents is created called the Gaining Independence for Students with Dependents program. To qualify for the programs students must meet all the requirements under the State Need Grant. The student must:

- Have a high school diploma or equivalent;
- Be an undergraduate student;
- Demonstrate Financial need and apply for federal financial aid;
- Be a Washington resident attending a Washington institution;
- Make satisfactory academic progress;
- Receive the grant for no more than five years;
- Take at least six credits per quarter or semester; and
- Be pursuing a degree other than theology.

The dependents claimed by the student must be eighteen years of age or younger. Students can attend any public or private college or university in the state of Washington that is accredited. Students who qualify may receive a minimum of \$1000 per academic year so long as the grant does not exceed their financial need for their course of study. The Higher Education Coordinating Board is given the authority for administering the grant program and

is required to develop rules, criteria, and guidelines for the grant program. The account established for this program would allow for the receipt of private funds into the program, so long as they were expended for the purposes of the program.

Appropriation: None.

Fiscal Note: Not Requested.

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