

SENATE BILL REPORT

2SHB 2534

As Reported By Senate Committee On:
Higher Education, February 28, 2002
Ways & Means, March 4, 2002

Title: An act relating to gaining independence for students by establishing an educational assistance grant program for students with dependents.

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

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Kenney, Cox, Kagi, Chase, Tokuda, Jarrett, Conway, Morell, Ogden, Edwards, Kessler, Haigh, Veloria, McIntire, Schual-Berke, Wood, Santos, McDermott and Linville).

Brief History:

Committee Activity: Higher Education: 2/26/02, 2/28/02 [DPA-WM].
Ways & Means: 3/4/02 [w/oRec, DNP].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Horn, Jacobsen, McAuliffe, Sheahan and B. Sheldon.

Staff: Heather Lewis-Lechner (786-7448)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That it be referred without recommendation.
Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Hewitt, Kline, Kohl-Welles, Long, Poulsen, Rasmussen, Roach, Rossi, Sheahan, B. Sheldon, Snyder, Spanel, Thibaudeau and Winsley.

Minority Report: Do not pass.
Signed by Senator Honeyford.

Staff: Karen Barrett (786-7711)

Background: 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.

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. 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.

Summary of Bill: The Educational Assistance Grant Program for Students With Dependents is created subject to the availability of receipts from private sources. To qualify for the program students must meet all the requirements under the State Need Grant; must be a Washington resident; must be a needy student as defined by current law; and must have dependents 18 years of age or younger under their care.

Qualifying students may use the grants to attend any accredited public or private college or university in the state of Washington and may receive a minimum of \$1000 per academic year as long as the grant does not exceed their financial need for their course of study. Qualifying for the grant will not supplant or reduce any other grant, scholarship or tax program related to postsecondary education.

The Higher Education Coordinating Board is given the authority to administer the grant program and must develop rules, criteria, and guidelines for the program.

Amended Bill Compared to Second Substitute Bill: A technical amendment to include the RCW section concerning the State Need Grant and clarifying that the dependent care assistance allowance under the State Need Grant will not be supplanted or reduced by funds from the Educational Assistance Grant Program For Students With Dependents.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill is a good compliment to the current State Need Grant. Students with dependents need a little extra help to attend school and raise their children. This bill will help enable those students to finish school and create a better life for themselves and their children. An investment in low-income families' education will help reduce poverty, meet the needs of employers, and help people become active participants in the economy. Access to higher education for everyone is a priority in this state and this bill will help provide that access. One concern, however, is that the original bill allowed the grant to accept funds from any source, public or private, and removing the ability to accept public funds sometime in the future, as the new version has done, cripples the bill.

Testimony Against: None.

Testified: PRO: Representative Phyllis Kenney, prime sponsor; Randy Loomans, WA State Labor Council; Erin Welch, Hollie MacLaren, parent/student; Rhonda Coats, St. Bd. for

Community and Technical Colleges; Bruce Botka, HECB; Roger Yockey, WA Assoc. of Churches, Trustee for Cascadia Comm. College; Aiko Schaefer, Statewide Poverty Action Network.