

# FINAL BILL REPORT

## SHB 1345

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Synopsis as Enacted

**Brief Description:** Allowing state financial aid for part-time students.

**Sponsors:** By House Committee on Appropriations (originally sponsored by Representatives Hasegawa, Kenney, Takko, Sells, Jarrett, Roberts, Ericks, Haler, Williams, Moeller, Appleton, Morrell, McCoy, Dunn, Kagi, McDermott, Santos and Chase).

**House Committee on Higher Education**

**House Committee on Appropriations**

**Senate Committee on Early Learning, K-12 & Higher Education**

**Senate Committee on Ways & Means**

### **Background:**

For nearly every state and federal financial aid program, students must be enrolled at least half-time to be eligible for aid. Federal guidelines permit higher education institutions to define what "half-time" means. In Washington, it means students are enrolled for at least six credits per quarter or semester.

This standard is contained in federal guidelines for subsidized loans and in rules adopted by the Higher Education Coordinating Board (HECB) for the State Need Grant, Educational Opportunity Grant, Promise Scholarship, and Work Study financial aid programs. Only the federal Pell Grant provides aid for students attending less than half-time. However, there is a special calculation for these students that further reduces the amount of the award.

During the 2003-04 academic year, nearly 48,000 resident undergraduate students in community and technical colleges and an additional 3,200 students at public four-year institutions were enrolled on less than a half-time basis.

The State Need Grant is the largest state-funded financial aid program. For the 2004-05 academic year, \$125 million supports about 55,500 students attending public and independent higher education institutions. In addition to at least half-time attendance, students must have a family income of no more than 55 percent of the state median family income (\$36,500 for a family of four in 2004) and be enrolled in a degree or certificate program.

### **Summary:**

For the 2005-07 biennium, the HECB will develop a pilot project to assess the need for and funding requirements necessary to allow students enrolled for at least four credit hours per quarter to be eligible for the State Need Grant. Under the pilot project, students attending participating higher education institutions and enrolled for four or five credit hours are eligible for a grant award as long as they also meet the other eligibility criteria for the program.

The HECB will select up to 10 colleges and universities to participate in the pilot project. By December of 2006, the HECB will report to the Higher Education Committees on the results of the project, including the amounts disbursed, a description of student participants, and an assessment of the need for the program.

**Votes on Final Passage:**

House	96	0	
Senate	42	2	(Senate amended)
House	95	0	(House concurred)

**Effective:** July 24, 2005