
Higher Education Committee

SHB 1096

Brief Description: Creating postsecondary opportunity programs.

Sponsors: House Committee on Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Priest, Quall, Wallace, Conway, Haler, Morris, Ormsby, Linville, Jarrett, Dickerson, Hunt, Walsh, P. Sullivan, Darneille, Appleton, Morrell, Williams, Dunn, Schual-Berke, Fromhold, Hasegawa, Chase, Upthegrove, McCoy, Green, O'Brien, Hudgins, Sells, Springer, Moeller, Goodman, Barlow, Eddy, Santos, Simpson, Haigh, Lantz, Kagi and Rolfes).

Brief Summary of Substitute Bill

- Directs the State Board for Community and Technical Colleges (SBCTC) to develop and implement the Opportunity Grant Program.
- Instructs SBCTC, business, labor, and the Workforce Training and Education Coordinating Board to identify high demand training programs and designate them as "opportunity grant-eligible programs of study."
- Directs community and technical colleges and local workforce development councils to develop the Opportunity Partnership Program.

Hearing Date: 2/5/07

Staff: Jennifer Thornton (786-7111).

Background:

Employer Needs

Regular surveys of employers conducted by the Workforce Training and Education Coordinating Board (WTECB), show that employers in the state consistently report difficulty finding workers for jobs with mid-level skills that require some postsecondary education, but less than a bachelor's degree. The WTECB projects job openings for new workers with mid-level skills in Washington at 31,000 annually between 2009 and 2012. The WTECB estimates that to meet this demand, an

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

additional 1,170 full-time equivalent (FTE) workforce education students are needed annually, in addition to increases tied to student-age population growth.

Unmet Financial Needs of Students

In 2006-2007, the average cost of community and technical college attendance is \$12,900 per year, when tuition and fees, books, living expenses and transportation are included. Seven different state agencies currently administer 18 state and federally-funded workforce programs in Washington. Low-income students can apply for existing state and federal need-based aid. However, not all low-income students are eligible for need-based aid and there is no guarantee that a student will receive aid to cover all of his/her costs.

A 2006 budget proviso required the WTECB to conduct a study on financial aid and access issues for workforce education students. The study found that during 2004-05, after accessing traditional student aid and aid from workforce development programs, the remaining unmet need for students was \$97 million per year. The study found financial need to be the biggest barrier to increased student access and retention in workforce programs.

Opportunity Grants Pilot Program

The 2006 operating budget provided \$4 million for the community and technical college system to develop and implement the Opportunity Grants Pilot Program, which was designed to test strategies for increasing access to postsecondary education for low income students in job-specific programs. As of December 2006, 436 students were participating in the 10 colleges selected from across the state to participate in the pilot. A preliminary report by SBCTC stated that:

- 68 percent of Opportunity Grant participants are parents;
- the average household income for Opportunity Grant participants is less than \$11,000 per year, with an average household size of three;
- 97 percent of students who began in one of the pilot programs remain engaged and on their chosen career pathway;
- Opportunity Grant students are enrolled at all educational levels, from adult basic skills to college-level coursework;
- 51 percent of Opportunity Grant participants are enrolled in healthcare related pathways; and
- more than half of Opportunity Grant participants received a combination of Opportunity Grant awards and other forms of financial aid.

Summary of Substitute Bill:

Creation of the Opportunity Grant Program

The State Board for Community and Technical Colleges (SBCTC) will develop and implement the Opportunity Grant Program. Students enrolled in the program will be eligible to receive funding for tuition and fees at the public community and technical college rate, plus \$1,000 per academic year for books, tools, and supplies (both are prorated if the credit load is less than full time).

The program will be available to Washington residents enrolled in "opportunity grant-eligible programs of study" at community and technical colleges, private career schools and Washington State Apprenticeship and Training Council-approved apprenticeship programs. It will be phased in as follows:

- Students who enroll prior to January 2010 must have a family income at or below 200 percent of the federal poverty level.
- Students who enroll between January 2010 and January 2012 must have a family income that is at or below the state median family income.
- After January 2012, all students in eligible programs will qualify.

A student must make satisfactory progress and maintain a cumulative 2.0 grade point average for continued eligibility. Funding is limited to 45 credits or the equivalent, or three years, whichever comes first.

Colleges will receive an enhancement of \$1,500 per full-time equivalent student enrolled in the Opportunity Grant Program whose income is below 200 percent of the federal poverty level.

These funds will be used for individualized support services necessary for student success. The SBCTC is accountable for student retention and program completion. They will set and monitor performance, and must reduce funding at institutions that do not meet targets.

The SBCTC and the Higher Education Coordinating Board (HECB) will work together to ensure that students participating in the Opportunity Grant Program receive all other state and federal financial aid to which they are entitled. They will also provide answers to transition to state and federal financial aid for students who complete the Opportunity Grant Program and pursue additional education.

Creation of Opportunity Partnerships

The SBCTC, in partnership with business, labor, and the Workforce Training and Education Coordinating Board (WTECB), will:

- identify high demand training programs offered by qualified postsecondary institutions that lead to a credential, certificate, or degree;
- gain recognition of the credentials, certificates, and degrees by Washington's employers and labor organizations, and designate them as "opportunity grant-eligible programs of study;" and
- market the credentials, certificates, and degrees to potential students, businesses, and apprenticeship programs.

Community and technical colleges and local workforce development councils will partner to develop the opportunity partnership program, which will provide mentoring to opportunity grant students. Participating students will be matched with a business or labor mentor employed in their field of study. The mentor will help the student explore careers and employment options through any combination of tours, informational interviews, job shadowing, and internships. The WTECB will receive funding on behalf of the opportunity partnerships. In partnership with business, labor, and the SBCTC, the WTECB will determine criteria and distribute funds for the program.

Appropriation: None.

Fiscal Note: Requested on February 2, 2007.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.