

SENATE BILL REPORT

SHB 1650

As of March 28, 2011

Title: An act relating to state need grant eligibility.

Brief Description: Changing state need grant eligibility provisions.

Sponsors: House Committee on Education Appropriations & Oversight (originally sponsored by Representatives Hasegawa, Kenney, Santos, McCoy, Moscoso, Sells, Carlyle, Reykdal, Seaquist, Jacks, Probst, Maxwell and Ormsby).

Brief History: Passed House: 3/02/11, 77-20.

Committee Activity: Higher Education & Workforce Development: 3/16/11, 3/18/11 [DPA-WM].

Ways & Means: 3/24/11.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Tom, Chair; Shin, Vice Chair; Hill, Ranking Minority Member; Becker, Ericksen, Kastama, Kilmer and White.

Staff: Aldo Melchiori (786-7439)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Maria Hovde (786-7710)

Background: The State Need Grant is designed to pay a portion of educational costs for needy and disadvantaged students. In 2009-2010 state funding for financial aid totaled \$250 million and the State Need Grant comprised the largest portion at \$215 million. In 2009-2010 the number of eligible students rose 18 percent to nearly 74,000 students. The number of un-served students rose from 5,498 to nearly 22,000 students.

In 1990 the Legislature extended State Need Grant eligibility to students enrolled at least half-time (six quarter credits or more). In 2005 the Legislature directed the Higher Education Coordinating Board (HECB) to develop a two-year pilot project to assess the need for and feasibility of allowing students enrolled for at least four quarter credits to be eligible for a

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.

State Need Grant. Under the pilot, students attending a participating school who enrolled for four or five credits were eligible to receive a grant as long as they met the other eligibility criteria for a State Need Grant. In 2007 the Legislature extended the part-time student pilot program to students enrolled for at least three quarter credits, or the semester equivalent. The pilot program expires June 30, 2011.

Summary of Bill (Recommended Amendments): The program allowing students enrolled for at least three quarter credits or the equivalent semester credits to be eligible for the State Need Grant is extend to June 30, 2013. By December 1, 2012, the HECB reports the academic performance of students enrolled for at least three quarter credits or the equivalent semester credits awarded need grants. The report must include data regarding (1) The total number of need grant recipients who enrolled on less than a half-time basis for at least one academic quarter or semester; (2) The length of time need grant recipients remained enrolled on less than a half-time basis; (3) The total number and proportion of need grant recipients who subsequently enrolled on a full-time basis; (4) The total number and proportion of need grant recipients who subsequently received an academic degree or certificate compared to full-time need grant recipients; and (5) The total number of full-time and part-time need grant recipients who were enrolled at four-year institutions and at a community or technical college.

The report must include an analysis and recommendations regarding the continuation of the availability of state need grant awards for part-time students taking into account the academic achievement of part-time as compared to full-time need grant recipients and the overall limitations on state need grant funding.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (Recommended Amendments): The program allowing students enrolled for at least three quarter credits or the equivalent semester credits to be eligible for the State Need Grant is extend to June 30, 2013. The bill as referred had removed the expiration date. By December 1, 2012, the HECB reports data regarding the academic progress and success of students in the program.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Substitute House Bill (Higher Education & Workforce Development): PRO: The bill just extends access to an already existing program. The pilot has been successful. Most students who drop to part-time status do so temporarily to deal with issues outside of school. Sometimes life gets in the way of school. The program helps provide financial aid to people seeking workforce training.

Persons Testifying (Higher Education & Workforce Development): PRO: Representative Hasegawa, prime sponsor; Rachelle Sharpe, HECB; Scott Copeland, State Board for

Community and Technical Colleges (SBCTC); Iris Maute-Gibson, Washington Student Association; Carolyn McKinnon, WTECB.

Staff Summary of Public Testimony (Ways & Means): PRO: The original bill makes the six year pilot program permanent which allows individuals to attend school even though their credit load has dropped below half-time. The majority of these people are non-traditional students, such as those receiving job training, who have challenges that make attending more frequently difficult. The Senate amendment to the underlying bill is not funded. The underlying bill allows this program to become part of the overall State Need Grant program. Well over two-thirds of those students who drop to less than half-time status do so only for one term. We see this as a bridge to support student persistence and completion. The HECB commits to completing the study that is called for in the Senate amendment, regardless if that language appears in the bill. If the program is to continue as a pilot, there is suggested language that requires the HECB to coordinate with the SBCTC and other schools who participate in the State Need Grant in order to collect the necessary data. Less than 3 percent of State Need Grant students fall into the less than half-time category so schools can continue to provide support to these students with their appropriations regardless of the program. Making it part of the overall State Need Grant would alleviate the need to fund the half-time program separately. The SBCTC will assist the HECB gather the outcome data as approximately 81 percent of these students are in the community and technical college sector. Six years is long enough for the program to establish itself. Making this part of the overall State Need Grant program will free up staff time.

Persons Testifying (Ways & Means): PRO: Representative Hasegawa, prime sponsor; Chris Thompson, Rachele Sharpe, HECB; Scott Copeland, SBCTC; John Wheeler, Washington Student Association.