

# SENATE BILL REPORT

## SB 6358

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As of February 3, 2014

**Title:** An act relating to disseminating financial aid policies to admitted and prospective students.

**Brief Description:** Requiring institutions of higher education to provide certain financial aid information to admitted and prospective students.

**Sponsors:** Senators Kohl-Welles, Bailey, Frockt, Becker, Chase and Tom.

**Brief History:**

**Committee Activity:** Higher Education: 1/30/14.

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Staff:** Kimberly Cushing (786-7421)

**Background:** The State Need Grant (SNG) program assists needy and disadvantaged students by offsetting a portion of their higher education costs. To be eligible, a student's family income cannot exceed 70 percent of the state's median family income, which is currently \$57,500 for a family of four. Approximately 74,000 low-income recipients received SNG funds during the 2012-13 academic year. However, 32,000 students were unserved for one or more terms.

According to the Washington Student Achievement Council, students without SNG are less likely to persist and re-enroll the following year. They are also less likely to attend fulltime and for the entire academic year, and they borrow more student loans than those with SNG assistance.

**Summary of Bill:** The Legislature recognizes that not all SNG-eligible students receive awards due to limited funds or unfamiliarity with aid policies. Thus, the Legislature intends to ensure that colleges and universities clearly disseminate their financial policies to students.

Community and technical colleges must provide financial aid application due dates and information on whether or not financial aid will be awarded on a rolling basis to admitted students at the time of their acceptance.

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*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.*

All institutions of higher education are encouraged to post financial aid application dates and distribution policies on their websites.

**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:** PRO: Our community and technical colleges (CTCs) are the best in the country. However, there is not always sufficient awareness on part of students that there is a rolling acceptance process. Colleges should notify students about getting their financial aid applications in early so everyone is on the same playing field. SNG is a decentralized program, which means institutions work on the state's behalf to identify eligible students. Institutions need to develop awarding policies to determine which students will receive aid, not just on a first-come first-serve basis. Many institutions prioritize by the most needy. State-level priorities include foster youth and College Bound students. The bill highlights the importance of financial aid and explaining the system to students in all sectors. In the CTC system, 90,000 of the 400,000 students receive some type of federal or need-based aid. Of the unserved SNG population, nearly 60 percent are in the CTC system. All 34 colleges provide students with financial aid due dates and have staff to help students with the financial aid process.

**Persons Testifying:** PRO: Senator Kohl-Welles, prime sponsor; Rachelle Sharpe, WA Student Achievement Council; Alison Grazzini Smith, State Board for CTC.