

HOUSE BILL REPORT

HB 1546

As Reported by House Committee On:
Education

Title: An act relating to dual credit opportunities provided by Washington state's public institutions of higher education.

Brief Description: Concerning dual credit opportunities provided by Washington state's public institutions of higher education.

Sponsors: Representatives Reykdal, Pollet, Springer, Bergquist, S. Hunt, Lytton, Tarleton, Wylie and McBride; by request of Office of Financial Management.

Brief History:

Committee Activity:

Education: 2/5/15, 2/17/15 [DPS].

Brief Summary of Substitute Bill

- Adds 10th graders to the list of eligible students for College in the High School (CHS).
- Creates subsidies and per credit fee limits for CHS programs, subject to appropriation.
- Makes clear delineations between CHS programs and Running Start (RS) by phasing out the use of RS for courses offered in the high school.
- Creates a per course subsidy for RS to provide for books and materials, subject to appropriation.
- Changes eligibility for RS fee waivers from optional to mandatory for certain students.
- Adds Guaranteed Education Tuition credits as an option to pay for CHS and RS.
- Requires eighth and ninth graders be notified of dual credit opportunities.

HOUSE COMMITTEE ON EDUCATION

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.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Santos, Chair; Ortiz-Self, Vice Chair; Reykdal, Vice Chair; Magendanz, Ranking Minority Member; Bergquist, Gregory, S. Hunt, Kilduff, Lytton, Orwall, Pollet and Springer.

Minority Report: Do not pass. Signed by 6 members: Representatives Caldier, Griffey, Hargrove, Hayes, Klippert and McCaslin.

Minority Report: Without recommendation. Signed by 3 members: Representatives Muri, Assistant Ranking Minority Member; Stambaugh, Assistant Ranking Minority Member; Fagan.

Staff: Robin Hammond (786-7291) and Cece Clynch (786-7195).

Background:

The 2011 Launch Year Act requires all public high schools in Washington to work toward increasing the number of dual credit courses offered to high school students. Dual credit programs allow high school students to earn post-secondary course credit while also earning credit toward high school graduation. From 2011 to 2013, the number of dual credit courses increased 19 percent and the number of students taking dual credit courses increased 4 percent. In the 2012–13 school year, 173,867 high school students were enrolled in dual credit courses. Dual credit programs include Tech Prep, Advanced Placement, College in the High School (CHS), Running Start, and Running Start for the Trades.

College in the High School Programs.

The CHS programs provide college level courses in high schools for qualified students in grades 11 and 12. The CHS programs are defined in contract between a high school and an institution of higher education. The contracts must, among other things, define eligibility criteria and specify whether the student or the high school pays for tuition fees. The CHS teacher employed by the participating institution of higher education is required to determine the number of credits and whether the course satisfies general or degree requirements when no comparable course is offered at the institution of higher education. The school district superintendent is required to determine the number of credits for a course when no comparable course is offered by the school district.

Running Start Programs.

Running Start (RS) students enroll in courses or programs offered by participating institutions of higher education. Students take Running Start courses on the campus of the institution of higher education and online. Some institutions and school districts also offer RS courses in the high school. The high school students do not pay tuition for RS classes but may be charged fees. The institution of higher education must provide fee waivers for low-income students, including those who qualify for free or reduced-price lunch.

Guaranteed Education Tuition Credits.

Washington State's prepaid college tuition program, named the Guaranteed Education Tuition program, is governed by federal Internal Revenue Service rules and Washington law. Parents contribute after-tax money and their money grows tax-free, and all withdrawals are tax-free

when used for tuition, room and board, and other qualified higher education expenses. The state guarantees that the value of the account will keep pace with the cost of resident undergraduate tuition and state-mandated fees at the most expensive public university in Washington.

Notifying Students about Dual Credit Opportunities.

There are several ways students are given general information regarding dual credit opportunities, including:

- the Office of the Superintendent of Public Instruction must notify schools with children in grades nine through 12 of dual credit opportunities if the cost is minimal;
- schools must notify students in grades nine through 12 of all local dual credit opportunities;
- school districts participating in college in the high school must provide general information to students in grades 10 through 12 about the program; and
- school districts must provide general information to students in grades 10 through 12 about Running Start.

Summary of Substitute Bill:

College in the High School.

Eligibility for the College in the High School (CHS) program is extended to students in grade 10. The Student Achievement Council is added to the list of entities that jointly develop and adopt rules governing the CHS program. The rules must be updated so that CHS courses meet the standards for transferable college credit and satisfy general education or degree requirements. To be considered a program course, a comparable course must be offered to matriculated students of the participating institution of higher education. The number of high school credits must be determined prior to enrollment in a course. Neither the CHS teacher employed by the participating institution of higher learning nor the school district superintendent are required to determine the number of credits for undesignated courses.

Subject to appropriation, a minimum per credit subsidy of \$65 is created for CHS students who have been eligible for free or reduced-price lunch in the last five years or have a 3 or 4 on a Smarter Balanced Assessment Consortium (SBAC) test. The maximum per credit fee may not exceed the per credit subsidy, and the subsidy is limited to 10-credits per year. In order to participate, districts must annually apply to the Office of the Superintendent of Public Instruction (OSPI) and report the projected numbers of participating students and credit hours. The Superintendent of Public Instruction may prioritize district applications and determine priority factors, which must include the number of dual credit opportunities available to low income students.

Running Start Programs.

The existing Running Start (RS) in the high school programs must phase out within two years and new RS in the high school programs may not be created. Starting September 1, 2017, a RS course may not consist solely of high school students at a high school and must be open to matriculated students at the institution of higher learning.

Subject to appropriation, eligible students may receive a minimum \$100 per course subsidy to provide for books and materials. A student is eligible for the subsidy if he or she qualified for free or reduced-priced lunch in the last five years or achieved a score of 3 or 4 on a SBAC test. The per course subsidy is limited to five courses or 25 credits per year. If there are more students than available funding, the OSPI will determine priority based on factors including the number of dual credit opportunities available for low-income students. Fee waivers are mandatory when a student was eligible for free or reduced-priced lunch in the last five years or achieved a score of 3 or 4 on a SBAC test.

Guaranteed Education Tuition Credits.

Students may use Graduation Education Tuition credits to pay for CHS and RS fees.

Notifying Students about Dual Credit Opportunities.

Students in the eighth grade must be given information regarding dual credit opportunities in the following ways:

- the OSPI must notify schools with children in grades eight through 12 of dual credit opportunities if the cost is minimal; and
- schools must notify students in grades eight through 12 of all local dual credit opportunities.

Students in the eighth and ninth grade must also be given information regarding dual credit opportunities in the following ways:

- school districts participating in CHS programs must provide general information to students in grades eight through 12 about the program; and
- school districts must provide general information to students in grades eight through 12 about RS.

Substitute Bill Compared to Original Bill:

The proposed substitute bill:

- adds an intent section;
- changes the rule adoption date to December 1, 2015;
- adds Guaranteed Education Tuition credits as an option to pay for College in the High School (CHS) and Running Start (RS) fees;
- adds a credit limit of 10 credits for CHS programs and five courses or 25 credits for RS;
- adds students in grade 10 to the list of eligible students for CHS programs;
- specifies a minimum \$65 per credit subsidy for CHS programs, subject to appropriation;
- changes the definition of "eligible student" for CHS per credit subsidies to a student who enrolled at the beginning of the course for CHS and:
 - qualified for free or reduced-priced lunch in the last five years; or
 - achieved a score of 3 or 4 on an Smarter Balanced Assessment Consortium (SBAC) test;
- sets up a two-year transition to phase out RS in the high school and prohibits the creation of more RS in the high school programs;
- adds a minimum \$100 per course subsidy for RS to provide for books and materials, subject to appropriation—a student is eligible for the subsidy if he or she:

- qualified for free or reduced-priced lunch in the last five years; or
 - achieved a score of 3 or 4 on a SBAC test; and
 - changes RS fee waiver eligibility by:
 - changing eligibility from optional to mandatory where a student is eligible for free or reduced-priced lunch in the last five years; and
 - adding students who achieved a score of 3 or 4 on a SBAC test.
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Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 18, 2015.

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

Staff Summary of Public Testimony:

(In support) Students must have access to all dual credit options, including access to eligible Career and Technical Education courses. Dual credit is accepted at all institutions of higher education in Washington, and can shorten the time to achieve a degree. Presently, some students must retake courses at the college level for it to qualify for general education credits.

The cost to students of College in the High School (CHS) programs varies by district, from \$1,200 to \$0. The fees for CHS programs create equity and access issues. Students who can afford to pay for CHS credit, get credit, while those students who cannot pay for CHS credit take the same courses and do not receive credit. Cost should not be a factor; a student should be able to choose the program that is right for them. This proposal is a step forward. The subsidies should not be a reimbursement model, because this impacts low-income student access.

The Running Start (RS) in the high school programs are different from the original intent. The rules must be clear for both RS and CHS programs. This bill does not prohibit any program, but it does change the funding. There are further proposals to go beyond subsidizing low income students, but the Governor's budget did not allow this.

(With concerns) This legislation may restrict access to dual credit opportunities, and would impact many current students and courses. Students' access to college should not be restricted

(Opposed) Data is clear that students who use RS in the high school graduate from high school and complete a degree. This has not happened by chance, it was because of RS in the high school. The bill will eviscerate existing RS in the high school programs, which is a honed model that is expanding to other districts and serves many rural students. The RS in the high school model is good because students do not have to travel or pay the cost of books, which is a great deal for students, parents, and school districts. The proposed legislation would restrict dual credit opportunities, limit students to 10 credits, fail to fund all underserved students, and is only designed for districts that the Office of the Superintendent

of Public Instruction chooses. Please do not eliminate RS in the high school, which provides access to 2,100 participating juniors and seniors. The RS programs in the high school and CHS programs are very different.

Institutions of higher education are neither gaming the system, nor making money from RS in the high school. They pay overhead, pay for teachers, and could take more money than they receive from the district. The only way they can do dual credit is to have a program in the high schools. Students should not have to travel 100 miles or miss out on band or sport practice. If RS in the high school is illegal the Legislature should make it legal and fund it.

Persons Testifying: (In support) Representative Reykdal, prime sponsor; Nova Gattman, Workforce Board; Jene Jones, League of Education Voters; Scott Copeland, State Board of Community and Technical Colleges; Maddy Thompson, Washington Student Achievement Council; and Paula Moore, Office of Financial Management.

(With concerns) Charlie Brown, Tacoma Public Schools.

(Opposed) Antonio Sanchez and, Tracy Polett, Central Washington University; and Alica Kinne-Clawson, Eastern Washington University.

Persons Signed In To Testify But Not Testifying: None