

HOUSE BILL REPORT

SSB 5328

As Reported by House Committee On:
Higher Education

Title: An act relating to disseminating financial aid information.

Brief Description: Disseminating financial aid information.

Sponsors: Senate Committee on Higher Education (originally sponsored by Senators Kohl-Welles, Bailey and Chase).

Brief History:

Committee Activity:

Higher Education: 3/25/15, 3/31/15 [DPA].

**Brief Summary of Substitute Bill
(As Amended by Committee)**

- Requires the public baccalaureate institutions to provide financial aid application due dates and distribution policies, including whether financial aid is awarded on a rolling basis, for prospective and admitted students.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended. Signed by 12 members: Representatives Hansen, Chair; Pollet, Vice Chair; Zeiger, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Bergquist, Gregory, Holy, Reykdal, Sells, Stambaugh, Tarleton and Van Werven.

Minority Report: Without recommendation. Signed by 1 member: Representative Hargrove.

Staff: Megan Mulvihill (786-7304).

Background:

Senate Bill 6358.

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.

In 2014 the Legislature passed Senate Bill 6358 which required community and technical colleges to provide financial aid application due dates and information on whether or not financial aid will be awarded on a rolling basis to their admitted students at the time of acceptance. It also encouraged institutions of higher education (institutions) to post financial aid application dates and distribution policies on their websites.

State Need Grant.

The State Need Grant (SNG) program was established in 1969 to assist financially needy or disadvantaged resident students attending a higher education institution. Only students with family incomes at or below 70 percent of the state median family income, adjusted for family size, and who are enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits, are eligible for the SNG. Eligible students can use the SNG at any Washington public two-year or four-year institution and at many accredited private, independent institutions and career schools in the state.

Financial Aid Information.

All institutions publish their financial aid application process and policies on their websites, in their catalogues and admission materials, and in electronic mails (e-mails) to prospective and active students. All institutions also discuss this information during campus and new student orientations. Many institutions provide this material on postcards, letters, social media, and reader boards; at on- and off-campus events; and in-person interviews. Rolling financial aid refers to a large window of time in which to submit a financial aid application. Aid is awarded on a first-come, first-serve basis rather than being determined for all applicants after a certain deadline.

Summary of Amended Bill:

The public baccalaureate institutions must provide financial aid application due dates and distribution policies on their websites, including whether financial aid is awarded on a rolling basis, for prospective and admitted students.

Amended Bill Compared to Substitute Bill:

Instead of the public baccalaureate institutions providing financial aid information in written or electronic form, the amended bill requires the institutions to post financial aid distribution policies, including whether financial aid is awarded on a rolling basis, on their websites. Language encouraging the institutions that are eligible for the SNG to post financial aid application dates and distribution policies is removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended 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) There are 33,000 students eligible for the SNG, but there is not sufficient funding for all of these students. However, there are other reasons why eligible students do not receive the SNG. Many students are first-generation college students and do not have a good understanding of the need to apply for financial aid earlier rather than later. They may get their application in on time, but it may be too late because the financial aid was awarded on a rolling basis. A student can apply later, yet still on time and not receive an award because the money is all gone. This bill is about transparency and letting students know about rolling financial aid, federal, and state financial aid deadlines via letters, publications, e-mails, websites, etc.

(Opposed) None.

Persons Testifying: Senator Kohl-Welles, prime sponsor; and Becca Kenna-Schenk, Western Washington University.

Persons Signed In To Testify But Not Testifying: None.