

# HOUSE BILL REPORT

## 2SSB 5851

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### As Passed House - Amended:

April 15, 2015

**Title:** An act relating to recommendations of the college bound scholarship program work group.

**Brief Description:** Concerning recommendations of the college bound scholarship program work group.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Frockt, Kohl-Welles, Miloscia, Lias, Mullet, Pedersen, Nelson and McAuliffe).

### Brief History:

#### Committee Activity:

Higher Education: 3/18/15, 3/26/15 [DPA];

Appropriations: 4/6/15, 4/7/15 [DPA(HE)].

#### Floor Activity:

Passed House - Amended: 4/15/15, 97-1.

### Brief Summary of Second Substitute Bill (As Amended by House)

- Requires the data needed to analyze and evaluate the effectiveness of the College Bound Scholarship (CBS) program be promptly transmitted to the Education Research and Data Center so that it is available and easily accessible.
- Requires the Washington State Institute for Public Policy to complete an evaluation of the CBS program and submit a report to the Legislature by December 1, 2018.
- Requires the Washington Student Achievement Council to: distribute certain financial notifications to tenth grade CBS students and their families; coordinate mentoring and advising resources; develop a comprehensive social media outreach; and verify that eligible CBS students do not have felony convictions.
- Encourages each institution of higher education to tailor advising resources for any enrolled CBS student.

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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.*

- Excludes from a student's overall grade point average for purposes of determining CBS eligibility the Running Start (RS) course grades of a student who does not meet the CBS "C" average requirement and who completed fewer than two quarters in the RS Program.

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## HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass as amended. Signed by 13 members: Representatives Hansen, Chair; Pollet, Vice Chair; Zeiger, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Bergquist, Gregory, Hargrove, Holy, Reykdal, Sells, Stambaugh, Tarleton and Van Werven.

**Staff:** Megan Wargacki (786-7194).

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass as amended by Committee on Higher Education. Signed by 29 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Chandler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Carlyle, Cody, Dent, Dunshee, Fagan, Haler, Hansen, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, MacEwen, Magendanz, Pettigrew, Sawyer, Senn, Springer, Stokesbary, Sullivan, Tharinger, Van Werven and Walkinshaw.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Condotta, G. Hunt and Taylor.

**Staff:** Catrina Lucero (786-7192).

### **Background:**

#### College Bound Scholarship Program.

The College Bound Scholarship (CBS) program was established in 2007 to provide guaranteed four-year tuition to students from low-income families. Students are eligible for the CBS if they:

- are in grades 7 through 12, or between the ages of 18 and 21 and have not graduated from high school; and
- qualify for free or reduced-price lunches in grade 7, or are dependent according to the Juvenile Court Act.

Beginning in the grade 7, eligible students are notified of their eligibility and the requirements for award of the CBS. Dependent students are automatically enrolled, but other eligible students must sign a pledge during grades 7 or 8 that includes a commitment to graduate from high school with at least a C average and with no felony convictions. At the time of high school graduation, eligible students must have a family income of no more than 65 percent of the state Median Family Income (MFI).

To receive a scholarship, a student must be a resident student and be accepted by a state institution of higher education participating in the State Need Grant (SNG) Program. All scholarship recipients are limited to no more than four full-time years' worth of scholarship awards, and the scholarship awards must be used within five years of receipt. The CBS award amounts are calculated as the difference between public institution tuition and required fees, minus the value of any state-funded grant, scholarship, or waiver assistance the student receives, plus \$500 for books and materials.

The Office of Student Financial Assistance (OSFA), within the Washington Student Achievement Council (WSAC), is the administrator of the CBS program. The Office of the Superintendent of Public Instruction (OSPI) notifies elementary, middle, and junior high schools about the CBS program and works with the WSAC to develop application collection and student tracking procedures. Currently, the OSPI contracts with the College Success Foundation (CSF) to increase CBS middle and high school students' knowledge and awareness of post-secondary opportunities.

#### College Bound Scholarship Program Work Group.

Legislation enacted in 2014 created the CBS Program Work Group to make recommendations to ensure the CBS program is viable, productive, and effective. Membership consists of four legislators, three representatives of higher education institutions, one from the WSAC, one from a private nonprofit college scholarship organization, one from the middle school system, and one nonlegislative member. The work group met four times and finalized its report on December 15, 2014. The 12 recommendations are:

- develop and expand data collection for the CBS program from enrollment through post-secondary education via the Education Research and Data Center (ERDC);
- request that the Washington State Institution for Public Policy (WSIPP) conduct a study to be completed before the 2019 legislative session (five years after the first cohort of scholars first enrolled in college) to evaluate educational outcomes emphasizing degree completion rates at both the high school and college levels, then reconvene the CBS Program Work Group to review the data and determine whether further program changes are recommended;
- require the WSAC, within existing resources, to make efforts to map and coordinate with K-12, post-secondary, and youth-serving organizations to equalize mentoring and advising resources across the state in collaboration with a nonprofit college scholarship organization;
- encourage institutions to provide tailored advising resources for CBS students once they have enrolled at a post-secondary institution;
- enhance, within budgeted resources, communications with grade-level specific information and contact metrics, including more robust and comprehensive social media outreach, designed to keep CBS students on track to graduate, and expand online resources to help schools track students and find new ways to reach out at key junctures while leveraging the Ready Set Grad website and the High School and Beyond Plan;
- align statute with administrative rules that were implemented to provide clarity for students;
- direct the WSAC to work with other state agencies and/or law enforcement to actually verify that applicants have no felony convictions;

- fund the SNG program consistently with a goal of full funding to leave no eligible students unserved;
- continue to fully fund the CBS caseload requirements;
- consider investing in long-range funding for the CBS program in dedicated state accounts to save for long-term CBS costs;
- fund enhanced coordinated support services for CBS students; and
- consider creating competitive grant programs as described in the WSAC's student support recommendations to be awarded to high quality outreach programs that can demonstrate success in improving both high school and college graduation rates.

#### Running Start Programs.

The Running Start (RS) Program is a dual credit program that allows enrolled high school students to earn up to two years of college credit in courses or programs offered by participating institutions of higher education. Students take RS courses on the campus of the institution and online. Some institutions and school districts also offer RS courses in the high school. The program is currently open only to students in grades 11 and 12. Running Start students may be charged up to 10 percent of the total tuition and fees for their course at the discretion of the offering institution, but pay in full for textbooks and transportation costs to and from the RS course site.

#### Education Data and Research Center.

The ERDC, in the Office of Financial Management, conducts analyses of early learning, K-12, and higher education programs, and education and workforce issues across the pre-kindergarten through post-secondary system.

#### Washington State Institute for Public Policy.

The WSIPP was created by the Legislature in 1983. The WSIPP is governed by a board of directors that represents the Legislature, Governor, and public institutions. The WSIPP performs nonpartisan research at the direction of the Legislature or board. Fiscal and administrative services for the WSIPP are provided by The Evergreen State College.

### **Summary of Amended Bill:**

#### Develop and Expand Data Collection.

Beginning January 1, 2015, and each year thereafter, the WSAC and all institutions of higher education eligible to participate in the CBS program must ensure data needed to analyze and evaluate the effectiveness of the CBS program is promptly transmitted to the ERDC so that it is available and easily accessible. The data to be reported should include but not be limited to:

- the number of students who sign up for the CBS program in 7th or 8th grade;
- the number of CBS students who graduate from high school;
- the number of CBS students who enroll in post-secondary education;
- the persistence and completion rates of CBS recipients disaggregated by institution of higher education;
- the grade point averages of CBS recipients;
- the number of CBS recipients who did not remain eligible and reasons for ineligibility;
- the costs of the CBS program; and

- the impacts to the SNG program.

Beginning immediately and at least every December 1 thereafter, the WSAC must submit student unit record data for the CBS program applicants and recipients to the ERDC.

The ERDC must be considered an authorized representative of the WSAC and the OSFA under state and federal laws for purposes of accessing and compiling student record data for research purposes.

#### Evaluation of the CBS Program by the Washington State Institute for Public Policy.

The WSIPP must complete an evaluation of the CBS program and submit a report to the Legislature by December 1, 2018. The report must complement studies on the CBS program conducted at the University of Washington or elsewhere. To the extent it is not duplicative of other studies, the report must evaluate educational outcomes emphasizing degree completion rates at both secondary and post-secondary levels. The report must study certain aspects of the CBS program, including but not limited to:

- the grade point average of CBS recipients and its relationship to positive outcomes;
- the variance in remediation needed between CBS recipients and their peers;
- the differentials in persistence between CBS recipients and their peers; and
- the impact of ineligibility for the CBS program, for reasons such as moving into the state after middle school or change in family income.

This section expires August 1, 2019.

#### Notification to 10th Grade CBS Students.

Annually, in March, the OSFA, with the assistance of the OSPI, must distribute to tenth grade CBS students and their families: (a) notification that, to qualify for the scholarship, a student's family income may not exceed 65 percent of the state MFI at graduation; (b) the current year's value for 65 percent of the state MFI; and (c) a statement that a student should consult their school counselor if their family makes, or is projected to make, more than this value before the student graduates.

#### Grade Point Average Recalculation for Some Running Start Students.

The first quarter RS course grades of a student, who does not meet the "C" average requirement for the CBS Program and who completed fewer than two quarters in the RS Program, must be excluded from the student's overall grade point average for purposes of determining their eligibility to receive the scholarship.

#### Equalize Mentoring and Advising Resources.

Within existing resources, the OSFA must collaborate with college access providers, K-12, post-secondary, and youth-servicing organizations to map and coordinate mentoring and advising resources across the state.

#### Provide Tailored Advising Resources.

Each institution is encouraged to tailor advising resources for any enrolled CBS student. The institutions of higher education should identify campus officials, resources, programs, and other CBS students available to work with CBS recipients.

#### Enhance Communications and Online Resources.

The OSFA must develop comprehensive social media outreach with grade-level specific information that is designed to keep students on track to graduate and leverage current tools such as the High School and Beyond Plan and the Ready Set Grad website.

Verify Felony Status.

In developing and implementing an application, selection, and notification process for the CBS program, the OSFA must work with other agencies, law enforcement, or the courts to verify that eligible students do not have felony convictions.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 5, relating to the reporting of college bound scholarship program data to the education data center, which contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony (Higher Education):**

(In support) This legislation implements the recommendations of the CBS Program Work Group. The CBS crosses boundaries in our educational system. The program is sustainable if we understand how it is funded. If it is known where these students are not fully funded by other programs, and how many students are in the pipeline, it can be determined how much the program will cost in the future. It is not known how these students fair relative to other students, so a study is included in the bill. Students who are in the program graduate 14 percent higher rate than their non-CBS peers. There is a correlation between the CBS incentive and gradation rates. Some students say that no one they know goes to college, but because they were told that they could go, they believed in themselves and pushed through high school. The study will determine if there is such a correlation between the CBS and college graduation rates, too. The CBS Work Group also found that there should be more supports for these students. Some areas of the state have great supports that help get students through high school and college. These types of programs need to be available across the state. It is important to enhance communication and online resources so that students and families know what the requirements are and what they can expect from the program. It is a hard situation when students sign up for the CBS program in middle school and do not understand all the parameters and requirements. A key element to make the CBS program successful is communication. It is important to have good data that follows all the students all the way through. The CSF works with the WSAC to sign-up students and to support them with direct services. One of the programs is the Achievers Scholars program. The Achievers Scholars program provides students supports, such as mentoring and advising. About 75 percent of Achievers Scholars have a CBS, so the CSF is looking to make sure they get all the supports they need, both academic and social. The CBS encourages students to do better in school because it gives them the promise of college. Some families are from countries where any education must be paid for by the family, so the families are not expecting their children to be able to go to school. The student support programs help students with financial aid applications and information, find scholarships, and apply to college. These are important when a student is a first generation college student.

The CBS is a young program but it has early indicators of success. The 2014 cohort had 70 percent of students sign-up in middle school and still has shown a higher increased graduation rate than their peers. Expanded communication efforts are needed and so is individualized supports through middle and high school. Outreach should be expanded to parents, families, schools, districts, and others to make sure that the complicated scholarship is understood, including the change in financial need requirement that happens at high school graduation. It will take some resources to identify felon students. The WSAC will continue to improve its web-based portal. Washington is one of a few states that makes a promise to students in middle school. The CBS jumps off the page in what it provides to students. The Tacoma school district leverages this CBS program to support students and their families; social service organizations in Tacoma are even recommending it. The CBS Program Work Group was thoughtful and deliberative. The CBS helps students access education. More students are entering four-year institutions than expected. This CBS program gives students hope. Many students have never been told about college. To tell them that cost is no barrier and there is a place for them is very powerful for students. The student support services are very important. The recommendations are great and supported.

(Opposed) None.

**Staff Summary of Public Testimony (Appropriations):**

(In support) The College Bound Scholarship (CBS) program is a relatively young program that has shown early signs of success including a positive impact on high school graduation rates and college going rates for participating students. Providing program data to the Education Research and Data Center and creating a coordinated student support system are both positive steps. Verifying felony convictions would require some resources. There has been other legislation related to the sealing of juvenile records. Some students with resources are able to get their records expunged. Washington is one of three states that offer an early commitment of financial aid. The CBS program is an important tool in getting low-income students to complete high school and enroll in postsecondary education. The recommendations being moved forward in the bill are well based and thoughtful. The student support related recommendations are particularly important. The student support systems are important in that they provide opportunities for students to do research and internships which enhances later success.

(Opposed) None.

**Persons Testifying (Higher Education):** Senator Frockt, prime sponsor; Senator Bailey; Rachelle Sharpe, Washington Student Achievement Council; Juliette Schindler Kelly, College Success Foundation; Vung It, University of Washington; Frank Ordway, League of Education Voters; Paul Francis, Council of Presidents; and Tom Fitzsimmons, Independent Colleges of Washington.

**Persons Testifying (Appropriations):** Frank Ordway, League of Education Voters; Rachelle Sharpe, Washington Student Achievement Council; Paul Francis, Council of Presidents; Juliette Schindler Kelly, College Success Foundation; and Mahdi Fouad Ramadan, University of Washington.

**Persons Signed In To Testify But Not Testifying** (Higher Education): None.

**Persons Signed In To Testify But Not Testifying** (Appropriations): None.