
Higher Education Committee

HB 1452

Brief Description: Concerning the opportunity scholarship program.

Sponsors: Representatives Holy, Tarleton, Van Werven, Springer, Stambaugh, Haler, Pollet and Slatter.

Brief Summary of Bill

- Expands the Opportunity Scholarship Program to students pursuing professional-technical certificates and degrees.
- Creates a new account, called the Pathways Scholarship Account, from which scholarships for professional-technical certificates and degrees will be awarded.
- Allows students who are ineligible to file for federal student aid to file a state financial aid application to meet scholarship renewal requirements.

Hearing Date: 2/1/17

Staff: Megan Mulvihill (786-7304).

Background:

The Washington State Opportunity Scholarship (WSOS) Program was established in 2011 to provide scholarships to low- and middle-income resident students pursuing eligible high-demand majors in science, technology, engineering, mathematics, and health care, and to encourage scholarship recipients to work in the state upon completion of their degrees. The eligible student needs to be working towards a first bachelor's degree at an eligible Washington state college or university. The student may attend a public community or technical college if the student indicates plans to transfer to a four-year college or university by the time he or she has earned 90 quarter credits. For the 2015-16 academic year, 1,057 recipients were selected to receive the scholarship.

Recipients of the scholarship must complete an annual renewal form each spring if they want to keep receiving the scholarship. In addition to meeting satisfactory academic progress, enrolling

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in required STEM classes, and progressing towards a bachelor's degree in an eligible high-demand major, the student must also complete the Federal Application for Federal Student Aid and, if eligible to do so, must file for Federal Education Tax Credits.

The WSOS Program is overseen by the WSOS Board and administered by the program administrator. "Program administrator" is defined as a college scholarship organization that is a private nonprofit corporation and qualified as a tax-exempt entity under section 501(c)(3) of the federal internal revenue code, with expertise in managing scholarships and college advising. The College Success Foundation is the current program administrator, and has the duty of publicizing the program, selecting scholarship recipients, distributing awards, and managing the account investments. Also, the College Success Foundation administers two separate accounts to receive grants and contributions from private sources and state matching funds, and to disperse scholarship funds to participants. The accounts are:

- The Scholarship Account, from which scholarship funds are dispersed; and
- The Endowment Account, from which scholarship funds are dispersed only if certain conditions are met.

Summary of Bill:

The WSOS Program is expanded to include eligible students who have been accepted into a professional-technical certificate or degree program approved by the State Board for Community and Technical Colleges and offered at a public institution of higher education.

A new account is created called the Pathways Scholarship Account, from which scholarships for professional-technical certificates or degree programs will be awarded. The scholarships are to be dispersed on an annual basis, once the first fiscal year following a state appropriation for matching funds has passed. The two existing accounts are for baccalaureate scholarships only.

Students who are ineligible to apply for federal student aid to have their WSOS renewed may file a state financial aid application, as approved by the Office of Student Financial Assistance.

College scholarship organization is removed from the definition of program administrator, as is a reference to the program administrator having expertise in managing scholarships and college advising. The program administrator is put under contract of both the Student Achievement Council and the WSOS Board. In addition, the program administrator must provide administrative support to execute the program responsibilities, rather than having full responsibility.

Appropriation: None.

Fiscal Note: Requested on 01/23/17.

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