

HOUSE BILL REPORT

E2SHB 1512

As Reported by House Committee On: Appropriations

Title: An act relating to expanding college bound scholarship eligibility.

Brief Description: Expanding college bound scholarship eligibility.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Bergquist, Stambaugh, McBride, Gregerson, Slatter, Frame, Macri, Peterson, Hudgins, Pollet, Orwall, Doglio, Appleton, Fitzgibbon, Goodman, Farrell and Stanford).

Brief History:

Committee Activity:

Higher Education: 2/7/17, 2/15/17 [DPS];

Appropriations: 2/22/17, 2/23/17 [DP2S], 1/18/18, 1/22/18 [DP3S].

Brief Summary of Third Substitute Bill

- Expands a student's initial eligibility for the College Bound Scholarship (CBS) to the seventh and eighth grade, rather than just the seventh grade.
- Allows eligible students to sign a CBS pledge in the ninth grade or tenth grade, beginning in the 2018-19 academic year, if they were previously ineligible in the seventh or eighth grade as a Washington student.
- Prioritizes eligible CBS students for the State Need Grant who have family incomes in the 0–70 percent median family income range.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The third substitute bill be substituted therefor and the third substitute bill do pass. Signed by 19 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Bergquist, Cody, Fitzgibbon, Graves, Hansen, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford, Sullivan and Tharinger.

Minority Report: Do not pass. Signed by 11 members: Representatives Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Buys, Caldier, Condotta, Manweller, Schmick, Taylor, Vick, Volz and Wilcox.

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.

Minority Report: Without recommendation. Signed by 3 members: Representatives Stokesbary, Assistant Ranking Minority Member; Haler and Harris.

Staff: Lily Sobolik (786-7157).

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. The first CBS awards were granted to the graduating high school class of 2012. Eligible students for the CBS include those who:

- qualify for free or reduced-price lunches in the seventh grade; or
- are dependent from parents or guardians, or are receiving extended foster care services; and
 - are in grades 7 through 12; or
 - are between the ages of 18 and 21 years and have not graduated from high school.

In the seventh grade, students become eligible for the CBS and are notified of their eligibility and the requirements for award of the scholarship. To be eligible to receive the CBS, a student must sign a pledge during the seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and no felony convictions. To receive the CBS, the student must graduate high school having fulfilled the CBS pledge requirements. Upon graduation, the student's family income will be assessed, and if it does not exceed 65 percent of the state median family income (MFI), the student will receive a scholarship.

The CBS recipients that attend public two-year or four-year institutions of higher education receive an award to cover the cost of tuition and fees, minus any state-funded grant, scholarship, or waiver assistance, plus \$500 for books and materials. The student must maintain satisfactory academic progress and may not receive the scholarship for more than four full-time years.

The State Need Grant (SNG) is the state's largest financial aid program, and grants are awarded to students based on financial need. A student may receive a grant if their family income does not exceed 70 percent of state MFI. In the state budget, students eligible for the CBS who have family incomes in the 0–65 percent MFI range must be prioritized for the SNG and awarded the maximum SNG for which they are eligible.

Summary of Substitute Bill:

A student's eligibility for the CBS program is determined in the seventh and eighth grade. Beginning in the 2018-19 academic year, a student may qualify for the CBS program if he or she is eligible for free or reduced-price lunches in the ninth and tenth grades, but was previously ineligible during the seventh or eighth grade while a Washington student.

Under the SNG program, the Student Achievement Council must prioritize need grants based on CBS eligibility. Students who are eligible for the CBS and who have family incomes in the 0–70 percent MFI range must be prioritized and awarded the maximum SNG for which they are eligible under state policies and may not be denied maximum SNG funding due to institutional policies or delayed awarding of CBS students.

Outdated references from the Higher Education Coordinating Board to the Student Achievement Council are updated.

Third Substitute Bill Compared to Engrossed Second Substitute Bill:

The third substitute bill changes the initial CBS sign-up date for ninth graders from the 2017-18 academic year to the 2018-19 academic year. The third substitute bill also updates the date of the null and void clause.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Third Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) Allowing newly eligible students to sign up for the CBS in high school would positively impact their high school and college performance. This would not really impact the state budget because these kids already qualify for the SNG, and this bill would wrap them into the CBS promise.

(Opposed) None.

Persons Testifying: Representative Bergquist, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.