
Higher Education Committee

HB 1840

Brief Description: Establishing the Washington promise program.

Sponsors: Representatives Pollet, Frame, Springer, Orwall, Fitzgibbon, Ryu, Bergquist, Stanford, Tarleton, Goodman, Kilduff, Farrell, Fey, Haler, Slatter and Santos.

Brief Summary of Bill

- Establishes the Washington Promise Program (Promise) to provide free community and technical college tuition and fees to eligible students.
- Creates a four-step phase-in for the Promise based on when a student obtained a high school diploma, or equivalent, and their family income level.
- Provides a \$1,500 cost of attendance stipend for students who have a family income that does not exceed 70 percent of the state median family income.
- Requires the State Board for Community and Technical Colleges to develop a plan to offer all Promise students a student success course and to implement the plan by the 2019-20 academic year.
- Requires the Caseload Forecast Council to forecast the number of eligible students for the Promise.
- Requires a study of the Promise by the Washington State Institute for Public Policy.

Hearing Date: 2/8/17

Staff: Megan Mulvihill (786-7304).

Background:

The Tennessee Promise.

Proposals offering free tuition are often referred to as Promise Programs. Tennessee was the first state to pass such a program with the Tennessee Promise. The program offers free tuition and mandatory fees for Tennessee high school graduates who enroll full-time in a qualifying

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institution of higher education for the fall term following graduation, or prior to 19 years of age if the student received a General Education Development (GED) certificate or equivalent. To be eligible for the program, the student must maintain a 2.0 grade point average (GPA), fill out the Free Application for Federal Student Aid (FAFSA), complete eight hours of community service prior to the start of each term, and attend required orientation and meetings with mentors. The student becomes ineligible once they receive a diploma, an associate's degree, or have been enrolled in the program for 2.5 years. Since implementation of the program, first-time freshman enrollment at technical colleges increased by 32 percent and 30 percent at community colleges. For 2016-17, the program cost \$25.3 million, with an average award of \$1,090 per student. The Tennessee Promise is funded by the state's lottery.

The Oregon Promise.

The Oregon Promise passed in 2015, which provides free community and technical college tuition to recent Oregon high school graduates and those who earned a GED certificate or equivalent within six months of leaving high school. To be eligible, the student must have maintained a 2.5 GPA in high school and cannot have a post secondary degree or have completed 90 credit hours of post secondary coursework. The students also needs to fill out a FAFSA and maintain a 2.5 GPA during each term the student is enrolled in the program. In addition, each student must pay \$50 of tuition each term. The Oregon Promise is a last-dollar program, which means any other grant aid the student receives, such as the federal PELL grant, is applied first and the state covers any remaining tuition balance. However, the minimum grant each eligible student receives is \$1,000. In the first year, there were just under 6,000 students receiving an award.

Summary of Bill:

The Office of Student Financial Assistance (Office) must administer the Washington Promise Program (Promise) for students seeking an associate's degree or certificate from a community or technical college (CTC). To be eligible for the Promise, the student must:

- be a resident;
- not have an associate's degree;
- be admitted to an eligible degree program or certificate program at a community or technical college; and
- complete either the FAFSA or the Washington Application for State Financial Aid each academic year in which the student seeks eligibility.

An eligible degree or certificate program is an associate degree, academic programs with credits that can fully transfer via an articulation agreement toward a baccalaureate degree or postbaccalaureate degree, or a professional and technical program that leads to a recognized post secondary credential.

The Promise is implemented in phases as follows:

- For the 2018-19 and 2019-20 academic years, students may receive an award for a free 13th year, or three academic quarters, if they: (1) have graduated high school within the past six calendar months before enrolling in a CTC; and (2) have a family income that does not exceed 70 percent of the state median family income (MFI), adjusted for family size.

- For the 2020-21 academic year, students may receive an award for six academic quarters, if they: (1) have obtained a high school diploma or equivalent within the past six calendar months before enrolling in a CTC; and (2) have a family income that does not exceed 70 percent of the state MFI, adjusted for family size.
- For the 2021-22 and 2022-23 academic years, students may receive an award for six academic quarters, if they: (1) have obtained a high school diploma or equivalent within the past 16 calendar months before enrolling in a CTC; and (2) have a family income that does not exceed the state MFI, adjusted for family size.
- Beginning with the 2023-24 academic year, students may receive an award for six academic quarters, if they: (1) have obtained a high school diploma or equivalent; and (2) have a family income that does not exceed that state MFI, adjusted for family size.

To remain eligible for the Promise, a student needs to maintain a cumulative GPA of 2.0 after he or she earns 45 credits.

Students who qualify for the Promise must receive a grant for an amount up to the cost of tuition and fees, services and activities fees, and if eligible, a cost of attendance stipend, less all other gift aid the student receives. The Promise must not result in a reduction of gift aid. For students who have a family income that does not exceed 70 percent of the state MFI, the student must receive a stipend of up to \$1,500 for books and other higher education expenses. If a student enrolls for less than full-time status, the stipend must be pro-rated based on the number of credits the student is enrolled in.

The State Board for Community and Technical Colleges (State Board) must report to the Legislature by December 1, 2019, and each December 1st thereafter on the impacts of the Promise. The report must include:

- student enrollment in eligible degree or certificate programs;
- student completion rates for credits, certificates, and degrees;
- the cost of implementation, including the cost per student;
- additional resources used to meet student needs, such as counseling, precollege courses, child care, or transportation; and
- the number of students receiving wraparound services, the number of schools providing wraparound services, and the resources needed to provide wraparound services.

The State Board must develop a plan to provide all Promise students with a quarter-long student success course, during or before their first enrollment period, that teaches essential skills for college success. The State Board must provide the plan to the Legislature by December 1, 2018, and begin implementation of the plan for the 2019-20 academic year.

The Washington State Institute for Public Policy must conduct a study on the effectiveness of the promise. The analysis must include changes in enrollments across the higher education system; changes in student completion and time-to-degree rates; any change in need or delivery of student services; and the fiscal impact of the Promise on students, CTCs, and the state. The report is due to the Legislature by December 1, 2023.

If the Legislature does not appropriate enough funding to support the statewide implementation of the first phase of the Promise, the State Board must provide grants to the CTC districts to implement the free 13th year. The CTC districts must partner with local governments and

private entities to secure matching funding for the free 13th year, and the State Board must determine criteria for the grants, prioritizing grants for at risk-students and programs with funding partners.

The Caseload Forecast Council is required to estimate the anticipated caseload of the Promise and report the forecast.

Appropriation: None.

Fiscal Note: Requested on 01/31/2017.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2017.