HOUSE BILL REPORT
HB 1201

As Reported by House Committee On:
Housing, Community Development & Veterans

Title: An act relating to the Washington national guard postsecondary education grant program.

Brief Description: Concerning the Washington national guard postsecondary education grant program.

Sponsors: Representatives Kilduff, Klippert, Leavitt, Reeves, Mosbrucker, Dolan, Slatter, Goodman, Ortiz-Self, Lovick, Stanford and Young; by request of Military Department.

Brief History:
Committee Activity:
Housing, Community Development & Veterans: 1/30/19, 2/1/19 [DP].

Brief Summary of Bill

- Renames the Washington State National Guard Conditional Scholarship Program the "Washington National Guard Postsecondary Grant Program" (Grant Program).
- Transfers the Grant Program administrative functions from the Office of the Adjutant General to the Office of Student Financial Assistance (Office).
- Establishes additional eligibility requirements for Grant Program participants.
- Requires the Office to establish rules addressing the terms of repayment of grants from the Grant Program.

HOUSE COMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT & VETERANS

Majority Report: Do pass. Signed by 8 members: Representatives Ryu, Chair; Gildon, Ranking Minority Member; Barkis, Assistant Ranking Minority Member; Corry, Entenman, Frame, Leavitt and Reeves.

Staff: Cassie Jones (786-7303).

Background:

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.

National Guard Conditional Scholarship Program.
The Washington State National Guard Conditional Scholarship Program (Program), administered by the Office of the Adjutant General of the Washington State Military Department (Military Department), provides conditional scholarships to eligible students who are enlisted members or officers of the rank of captain or below in the Washington National Guard (Guard). The duties of the Adjutant General's Office in administering the Program include, but are not limited to, the following:

- selecting eligible students to receive conditional scholarships;
- awarding conditional scholarships, the annual amount of which may vary, but may not exceed the annual cost of undergraduate tuition fees and services activities at the University of Washington plus an allowance for books and supplies;
- adopting rules and guidelines;
- adopting selection criteria which may include, but is not limited to: satisfactory progress, minimum grade point average, enrollment in courses leading to a baccalaureate degree, associate degree, or certificate, and satisfactory participation in the Guard;
- notifying participants of their additional service obligation or required repayment of the conditional scholarship; and
- collecting repayments from participants who do not meet the eligibility criteria or service obligations.

Conditional scholarships are given to participants in the form of a loan that is forgiven in whole or in part if the recipient completes the requisite service as a member of the Guard. Participants in the Program incur an obligation to repay the conditional scholarship, with interest, unless they serve in the Guard for one additional year for each year of conditional scholarship received. Participants in the Program are required to attend an approved institution of higher education that is located in Washington.

If a participant in the Program elects to repay the conditional scholarship, the repayment period must be four years and the interest rate must be 8 percent per year. Payments accrue quarterly commencing nine months from the date that the participant leaves the Guard or withdraws from the institution of higher education, whichever comes first.

Office of Student Financial Assistance.
The Office of Student Financial Assistance (Office), within the Washington Student Achievement Council (WSAC), administers state and federal financial aid and other education service programs, including the State Need Grant and College Bound Scholarship. The WSAC is the agency responsible for strategic planning, oversight, and advocacy regarding higher education in Washington.

Summary of Bill:

The Washington State National Guard Conditional Scholarship Program is renamed "Washington National Guard Postsecondary Grant Program" (Grant Program) and administration of the Grant Program is transferred from the Office of the Adjutant General to the Office.

Under the Grant Program, an eligible student must meet the following additional requirements:

- has not yet achieved a baccalaureate or higher degree from any postsecondary institution;
- is an active drilling member in good standing in the Guard;
- has completed and submitted an application for student aid approved by the Office;
- is a resident student; and
- agrees to fulfill his or her service obligation.

The Office is required to select eligible students to receive grants under the Grant Program with assistance from the Military Department. The following additional criteria are created regarding the selection of eligible students:

- An eligible student may receive a grant to help pay for postsecondary education program costs as approved by the Office. Awards must be valued at the difference between the student's tuition and the required fees, less the value of any federal and state funded assistance the student receives, and $500 for books and materials.
- The Military Department must ensure that data needed to identify eligible recipients are promptly transmitted to the Office.
- Grant Program eligibility may not extend beyond five years or 125 percent of the published length of the program in which the student is enrolled.

The Office is required to adopt rules addressing the terms for repayment of grants, including applicable interest rates, fees, and deferments, for Grant Program participants who do not complete their Guard service obligations. Existing requirements for the terms of repayment of conditional scholarships are eliminated.

Appropriation: None.

Fiscal Note: Requested on January 16, 2019.

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

Staff Summary of Public Testimony:

(In support) This bill is a priority of the Military Department. It would provide Guard members the opportunity to improve their education. There is difficulty with recruiting and retention for the Guard. This recruitment problem threatens the Guards ability to protect citizens in a disaster. This bill would give the Guard a competitive edge in recruiting and retention and would help build our state workforce. Many other states already provide this educational benefit and Washington needs it in order to compete with other states. Providing tuition assistance will help offset the time commitment of serving in the Guard. This benefit would supplement other financial aid and the investment would be modest.

(Opposed) None.

Persons Testifying: Representative Kilduff, prime sponsor; Bret Daugherty, Washington National Guard and Washington State Military Department; Steve Dupont, Central Washington University; and Robert Sweeney, National Guard Association of Washington.

Persons Signed In To Testify But Not Testifying: None.