ESSB 5321 - H COMM AMD By Committee on Appropriations

ADOPTED 04/07/2021

H-1492.1/21

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. The legislature enacted the college bound 3 4 scholarship program in 2007 to encourage all Washington students to dream big by creating a guaranteed four-year tuition scholarship 5 program for students from low-income families. The legislature finds 6 7 the program has been successful in achieving this goal. A report by the Washington state institute for public policy found that the 8 9 scholarship increases high school graduation rates, probability of on-time college enrollment, college persistence, and 10 graduation rates. However, more than one quarter of eligible students 11 12 are unable to access the scholarship by failing to sign the pledge 13 required by the program. The legislature finds that the pledge has 14 become an unintended barrier to entry, a problem made more acute as students are receiving their education remotely during the COVID-19 15 pandemic and have less access to school teachers, counselors, and 16 17 peers. Therefore, the legislature intends with this act to remove the pledge as an eligibility requirement while retaining the requirement 18 that students maintain a "C" average for consideration of admission 19 20 to a public or private four-year higher education institution and 21 avoid serious interactions with the criminal justice system for four years. In order to ensure that the legislature will fulfill its 22 promise to provide a scholarship upon graduation, the legislature 23 24 intends by this act to create a statutory contractual right for students who fulfill scholarship requirements that vests when the 25 26 student becomes first eligible for the scholarship.

Sec. 2. RCW 28B.118.010 and 2019 c 406 s 44 and 2019 c 298 s 1 are each reenacted and amended to read as follows:

The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section and in alignment with the Washington college grant program in

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- chapter 28B.92 RCW unless otherwise provided in this section. The right of an eligible student to receive a college bound scholarship vests upon enrollment in the program that is earned by meeting the requirements of this section as it exists at the time of the student's enrollment under subsection (2) of this section.
 - (1) "Eligible students" are those students who:

- (a) Qualify for free or reduced-price lunches or are enrolled at schools using provision 2 of the national school lunch act or the community eligibility provision under section 104(a) of the federal health, hunger-free kids act of 2010.
- (i) If a student qualifies in the seventh ((er)), eighth, or ninth grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter or if the student is no longer enrolled at a school using provision 2 of the national school lunch act or the community eligibility provision under section 104(a) of the federal health, hunger-free kids act of 2010.
- (ii) Beginning in the ((2019-20)) 2021-22 academic year, if a student qualifies for free or reduced-price lunches in the ((ninth)) 10th grade and was previously ineligible during the seventh $((or))_L$ eighth, or ninth grade while he or she was a student in Washington, the student is eligible for the college bound scholarship program;
 - (b) Are dependent pursuant to chapter 13.34 RCW and:
 - (i) In grade seven through twelve; or
- (ii) Are between the ages of eighteen and twenty-one and have not graduated from high school; or
- (c) Were dependent pursuant to chapter 13.34 RCW and were adopted between the ages of fourteen and eighteen with a negotiated adoption agreement that includes continued eligibility for the Washington state college bound scholarship program pursuant to RCW 74.13A.025.
- (2) ((Eligible students and the students' parents or guardians shall be notified of the student's eligibility for the Washington college bound scholarship program. Students and the students' parents or guardians shall also be notified of the requirements for award of the scholarship.
- (3) (a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1) (a) (i) of this section must sign a pledge during seventh or eighth grade or a student eligible under subsection (1) (a) (ii) of this section must sign a pledge during ninth grade. The pledge must include a commitment to graduate from Code Rev/CL:eab

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high school with at least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.

 (b) (i) Beginning in the 2018-19 academic year, the office of student financial assistance shall make multiple attempts to secure the signature of the student's parent or guardian for the purpose of witnessing the pledge.

(ii) If the signature of the student's parent or guardian is not obtained, the office of student financial assistance may partner with the school counselor or administrator to secure the parent's or guardian's signature to witness the pledge. The school counselor or administrator shall make multiple attempts via all phone numbers, email addresses, and mailing addresses on record to secure the parent's or guardian's signature. All attempts to contact the parent or guardian must be documented and maintained in the student's official file.

(iii) If a parent's or guardian's signature is still not obtained, the school counselor or administrator shall indicate to the office of student financial assistance the nature of the unsuccessful efforts to contact the student's parent or guardian and the reasons the signature is not available. Then the school counselor or administrator may witness the pledge unless the parent or guardian has indicated that he or she does not wish for the student to participate in the program.

(c) A)) (a) Every eligible student ((eligible under subsection (1)(b) of this section)) shall be automatically enrolled by the office of student financial assistance, with no action necessary by the student ((or the)), student's family, ((and the enrollment form must be forwarded by the department of social and health services to the office of student financial assistance by mail or electronically, as indicated on the form)) or student's quardians.

(b) Eligible students and the students' parents or guardians shall be notified of the student's enrollment in the Washington college bound scholarship program and the requirements for award of the scholarship by the office of student financial assistance. To the maximum extent practicable, an eligible student must acknowledge enrollment in the college bound scholarship program and receipt of the requirements for award of the scholarship.

(c) The office of the superintendent of public instruction and the department of children, youth, and families must provide the office of student financial assistance with a list of eligible students when requested. The office of the superintendent of public instruction shall also provide school districts with a list of eligible students from that school district to implement the requirements of chapter 13, Laws of 2020.

- (d) The office of student financial assistance must determine the most effective methods, including timing and frequency, to notify eligible students of enrollment in the Washington college bound scholarship program. The office of student financial assistance must take reasonable steps to ensure that eligible students acknowledge enrollment in the college bound scholarship program and receipt of the requirements for award of the scholarship. The office of student financial assistance shall also make available to every school district information, brochures, and posters to increase awareness and to enable school districts to notify eligible students directly or through school teachers, counselors, or school activities.
 - ((4)(a) Scholarships shall be awarded to)) (3) Except as provided in subsection (4) of this section, an eligible student((s graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.
- 24 (b) (i) To receive the Washington college bound scholarship, a
 25 student must graduate with at least a "C" average)) must:
 - (a) (i) Graduate from a public high school ((or)) under RCW 28A.150.010, an approved private high school under chapter 28A.195 RCW in Washington, or have received home-based instruction under chapter 28A.200 RCW((, must have)); and
 - (ii) Beginning with eligible students enrolling in a postsecondary education institution for the first time during the 2021-22 academic year, graduate with at least a "C" average for consideration of admission to a public or private four-year institution of higher education;
 - (b) Have no felony convictions ((, and must be));
- 36 (c) Be a resident student as defined in RCW 28B.15.012(2) (a) through (e) ((.-A)); and
- 38 (d) Have a family income that does not exceed 65 percent of the 39 state median family income at the time of high school graduation.

(4) (a) An eligible student who ((is eligible to receive the Washington college bound scholarship because the student)) is a resident student under RCW 28B.15.012(2)(e) must also provide the institution, as defined in RCW 28B.15.012, an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses.

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- (c) For a student who does not meet the "C" average requirement, and who completes fewer than two quarters in the running start program, under chapter 28A.600 RCW, the student's first quarter of running start course grades must be excluded from the student's overall grade point average for purposes of determining ((their eligibility to receive the scholarship)) if the requirement in subsection (3) (a) of this section is met.
- (5) ((A student's family income will be assessed upon graduation before awarding the scholarship. If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.
- (6))(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.
- 39 (b) For students attending private four-year institutions of 40 higher education in Washington, the award amount shall be the Code Rev/CL:eab 5 H-1492.1/21

representative average of awards granted to students in public research universities in Washington or the representative average of awards granted to students in public research universities in Washington in the 2014-15 academic year, whichever is greater.

- (c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington or the representative average of awards granted to students in public community and technical colleges in Washington in the 2014-15 academic year, whichever is greater.
- (((7) Recipients)) (6) Eligible students must enroll no later than the fall term, as defined by the institution of higher education, one academic year following high school graduation.

 Eligible students may receive no more than four full-time years' worth of scholarship awards within a five-year period.
- $((\frac{(8)}{(8)}))$ <u>(7)</u> Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.
- ((+9))) (8) The first scholarships shall be awarded to students graduating in 2012.
- (9) Beginning with eligible students enrolling in a postsecondary education institution for the first time during the 2021-22 academic year, those eligible students who are divested of a college bound scholarship because they are unable to meet the requirement in subsection (3)(d) of this section, but whose family income is less than 100 percent of the state median family income, are entitled to a stipend of \$500 for books, materials, and other scholastic expenses annually, renewable for no more than four full-time years.
- (10) The eligible student has a property right in the award, but the state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.
- 38 (11) The scholarship award must be used within five years of 39 receipt. Any unused scholarship tuition units revert to the 40 Washington college bound scholarship account.

- 1 (12) Should the recipient terminate his or her enrollment for any 2 reason during the academic year, the unused portion of the 3 scholarship tuition units shall revert to the Washington college 4 bound scholarship account.
- 5 **Sec. 3.** RCW 28B.118.040 and 2019 c 298 s 2 are each amended to 6 read as follows:

The office of student financial assistance shall:

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- 8 (1) With the assistance of the office of the superintendent of 9 public instruction, implement and administer the Washington college 10 bound scholarship program;
 - (2) Develop ((and distribute, to all schools with students enrolled in grades seven through nine, a pledge form that can be completed and returned electronically or by mail by the student or the school to the office of student financial assistance)) effective methods to notify eligible students of their enrollment in the Washington college bound scholarship program and the requirements of RCW 28B.118.010;
 - (3) Develop and implement a ((student application, selection, and notification)) process for ((scholarships)) verifying eligibility, which includes working with other state agencies, law enforcement, or the court system to verify that eligible students do not have felony convictions;
 - (4) Annually in March, with the assistance of the office of the superintendent of public instruction, distribute to ((tenth)) 11th grade ((college bound scholarship)) eligible students and their families: (a) Notification that, to qualify for the scholarship, a student's family income may not exceed sixty-five percent of the state median family income at graduation from high school; (b) the current year's value for sixty-five percent of the state median family income; 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;
 - (5) Develop comprehensive social media outreach with grade-level specific information designed to keep students on track to graduate and leverage current tools such as the high school and beyond plan required by the state board of education and the ready set grad website maintained by the student achievement council;
- 38 (6) Track scholarship recipients to ensure continued eligibility 39 and determine student compliance for awarding of scholarships;

(7) Within existing resources, collaborate with college access providers and K-12, postsecondary, and youth-serving organizations to map and coordinate mentoring and advising resources across the state;

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- (8) Subject to appropriation, deposit funds into the state educational trust fund;
- (9) Purchase tuition units under the advanced college tuition payment program in chapter 28B.95 RCW to be owned and held in trust by the office of student financial assistance, for the purpose of scholarship awards as provided for in this section; and
- (10) Distribute scholarship funds, in the form of tuition units purchased under the advanced college tuition payment program in chapter 28B.95 RCW or through direct payments from the state educational trust fund, to institutions of higher education on behalf of scholarship recipients identified by the office, as long as recipients maintain satisfactory academic progress.
- 16 **Sec. 4.** RCW 28B.118.090 and 2019 c 406 s 45 and 2019 c 298 s 3 17 are each reenacted and amended to read as follows:
 - (1) Beginning January 1, 2015, and at a minimum every year thereafter, the student achievement council and all institutions of higher education eligible to participate in the college bound scholarship program shall ensure data needed to analyze and evaluate the effectiveness of the college bound scholarship program is promptly transmitted to the education data center created in RCW 43.41.400 so that it is available and easily accessible. The data to be reported should include but not be limited to:
 - (a) The number of <u>enrolled</u> students $((\frac{who \ sign \ up}))$ for the college bound scholarship program in seventh, eighth, $((\frac{or}{}))$ ninth, or 10th grade;
- 29 (b) The number of college bound scholarship students who graduate 30 from high school;
- 31 (c) The number of college bound scholarship students who enroll in postsecondary education;
- 33 (d) Persistence and completion rates of college bound scholarship 34 recipients disaggregated by institutions of higher education;
 - (e) College bound scholarship recipient grade point averages;
- 36 (f) The number of college bound scholarship recipients who did 37 not remain eligible and reasons for ineligibility;
 - (g) College bound scholarship program costs; and
- 39 (h) Impacts to the Washington college grant program.

- 1 (2) Beginning May 12, 2015, and at a minimum every December 1st 2 thereafter, the student achievement council shall submit student unit 3 record data for the college bound scholarship program applicants and 4 recipients to the education data center.
- NEW SECTION. Sec. 5. This act does not affect any existing right acquired or liability or obligation incurred under the sections amended or repealed or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.
- NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."
- 14 Correct the title.
 - <u>EFFECT:</u> (1) Expands eligibility for the College Bound Scholarship (CBS) program to all qualifying 9th graders and to 10th graders who were previously ineligible for the CBS program in the 7th, 8th, or 9th grade as a Washington student, but become eligible for free or reduced price lunch in the 10th grade.
 - (2) Expands eligibility and automatic enrollment in the CBS program to all 7th, 8th, and 9th graders who are enrolled at schools using provision 2 of the National School Lunch Act or the community eligibility provision under section 104(a) of the Federal Health, Hunger-Free Kids Act of 2010.
 - (3) Adds that students who are divested of their CBS award because their family income exceeded 65 percent of the state median family income at graduation, are still entitled to a \$500 stipend to use on books, materials, and other scholastic expenses as long as their family income does not exceed 100 percent of the state median family income at graduation, beginning with students first enrolling in a postsecondary education institution in the 2021-22 academic vear.
 - (4) Requires the student to graduate with at least a "C" average for consideration of admission to a public or private four-year institution for students enrolling in a postsecondary education institution for the first time beginning in the 2021-22 academic year.
 - (5) Requires the Office of the Superintendent of Public Instruction to provide school districts with a list of that school district's CBS eligible students for the purposes of implementing the requirements of House Bill No. 1660 from 2020, regarding the participating of low-income students in extracurricular activities.

(6) Removes the retroactivity clause.

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