

HOUSE BILL REPORT

2SSB 5789

As Passed House - Amended:

March 3, 2022

Title: An act relating to creating the Washington career and college pathways innovation challenge program.

Brief Description: Creating the Washington career and college pathways innovation challenge program.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Randall, Nobles, Conway, Das, Frockt, Kuderer, Lias, Nguyen and Wilson, C.; by request of Student Achievement Council).

Brief History:

Committee Activity:

College & Workforce Development: 2/16/22, 2/21/22 [DPA];

Appropriations: 2/28/22 [DPA(APP w/o CWD)].

Floor Activity:

Passed House: 3/3/22, 77-19.

Brief Summary of Second Substitute Bill (As Amended by House)

- Establishes the Washington Career and College Pathways Innovation Challenge Program, administered by the Washington Student Achievement Council, to provide grants to local and regional entities to increase statewide educational attainment.
- Repeals and modifies parts of the Washington Fund for Innovation and Quality.

HOUSE COMMITTEE ON COLLEGE & WORKFORCE DEVELOPMENT

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass as amended. Signed by 9 members: Representatives Slatter, Chair; Entenman, Vice Chair; Leavitt, Vice Chair; Chambers, Ranking Minority Member; Jacobsen, Assistant Ranking Minority Member; Hansen, Paul, Pollet and Sells.

Minority Report: Do not pass. Signed by 4 members: Representatives Chandler, Hoff, Kraft and Sutherland.

Staff: Megan Mulvihill (786-7304).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Appropriations and without amendment by Committee on College & Workforce Development. Signed by 22 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chambers, Assistant Ranking Minority Member; Chopp, Cody, Dolan, Fitzgibbon, Frame, Hansen, Harris, Jacobsen, Johnson, J., Lekanoff, Pollet, Ryu, Senn, Springer, Stonier, Sullivan and Tharinger.

Minority Report: Do not pass. Signed by 3 members: Representatives Hoff, Rude and Steele.

Minority Report: Without recommendation. Signed by 8 members: Representatives Stokesbary, Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke, Caldier, Chandler, Dye and Schmick.

Staff: Kate Henry (786-7349).

Background:

Washington Fund for Innovation and Quality in Higher Education Program.

The Washington Fund for Innovation and Quality in Higher Education Program (WFIQ Program) was originally established as the Washington Fund for Excellence in Higher Education Program in 1991. The program was established to allow the Washington Student Achievement Council (WSAC) to award incentive grants to state public or private nonprofit institutions of higher education to encourage programs designed to address specific system problems. Priority is given to proposals involving more than one sector of education, and the institutions of higher education are required to submit some financial support as part of the grant. The WFIQ Program has never been funded.

State Educational Attainment Goals.

The WSAC provides strategic planning, oversight, advocacy, and is tasked with administering programs to support students and higher education in the state. The WSAC is statutorily required to propose educational attainment goals and priorities to meet the state's

higher education needs. In 2013 the WSAC established the following educational attainment goals for 2023 that the Legislature adopted in 2014:

- all adults in Washington, ages 25-44, will have a high school diploma or equivalent; and
- at least 70 percent of Washington adults, ages 25-44, will have a postsecondary credential.

Summary of Amended Bill:

The Washington Career and College Pathways Innovation Challenge Program (Challenge Program) is established under the administration of the WSAC. The Challenge Program's purpose is to meet statewide educational goals by developing regional and local partnerships to:

- increase postsecondary enrollment and completion; and
- to eliminate educational opportunity gaps for students of color, English language learners, students with disabilities, and foster and homeless youth.

The WSAC must award grants based on a competitive process to local and regional partnerships that represent cross-sector collaborations. For design and administration of the Challenge Program, the WSAC must consult with: representatives of the State Board for Community and Technical Colleges; an organization representing the presidents of the public four-year institutions of higher education; an organization representing the private, not-for-profit four-year institutions of higher education; the Workforce Training and Education Coordinating Board; the Commission on African American Affairs; the Commission on Hispanic Affairs; the Commission on Asian Pacific American Affairs; the Washington State LGBTQ Commission; the Governor's Office of Indian Affairs; and the Washington State Women's Commission. The WSAC must consider applications that:

- plan and pilot innovative initiatives to raise educational attainment and decrease opportunity gaps;
- engage community-based organizations and resources;
- expand the use of integrated work-based learning;
- provide financial support to cover expenses beyond tuition and fees, and other services and supports for students to enroll and complete education and training; and
- include matching funds.

The WSAC is permitted to hire new staff to support the Challenge Program and may solicit and receive public or private gifts, grants, and endowments for the Challenge Program. The WSAC must provide an annual report beginning September 1, 2022, each year to the Governor and the Legislature regarding: the grants awarded; progress on increasing high school graduation, postsecondary enrollment, and completion; and disaggregated data for the Challenge Program.

The WFIQ Account is renamed the Washington Career and College Pathways Innovation Challenge Program Account, and the account's permissible uses are modified to allow the

WSAC to award grants under the Challenge Program. The Challenge Program Account is permitted to retain its interest under the Treasurer's Trust Fund. The WFIQ Program is repealed.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony (College & Workforce Development):

(In support) The College and Workforce Development Committee has spent a lot of time making higher education more sensible, working to increase Free Application for Federal Student Aid (FAFSA) completion, and ensuring all students in Washington have pathways towards education and living wage jobs. Many students do not have support at home to help them through the college process. Community-based organizations provide an important role in this. When communities come together to forge meaningful partnerships, they can make systemic change. The Kitsap Regional Library is doing incredible work in FAFSA navigation and completion, and Tacoma is another great example. The city had a persistently low high school graduation rate, around 70 percent before community efforts. Tacoma now has a high school graduation rate around 90 percent. The ability of communities to create those partnerships varies based on geography, size, and resources. If they are willing to step up and put some resources behind the effort, the state will add to it and support communities of any size to do this work. This would allow the WSAC to create a grant process, invest in community-based organizations, and allow students to work with trusted partners. The WSAC works closely with, and partners well with, organizations to build effective strategies to help make higher education accessible for everyone.

There is a crux within Washington's education system as the only state with education as a constitutional right, yet has one of the lowest direct enrollment rates. Students no longer see college as a viable option for them, especially if they are from lower socioeconomic backgrounds. In the aftermath of the pandemic, over 25,000 students in K-12 have not re-enrolled in school. Between 2006 and 2019 high school graduation increased by 9 percent and postsecondary completion by 7 percent, but enrollment has remained flat. After the pandemic, enrollment is down 23 percent at the community and technical colleges and down 7.5 percent at the public four-year institutions. Young people are delaying education goals sometimes because of the imperative to work or because the process to reconnect with school is overwhelming. This work aims to deepen relationships between community and technical colleges and their diverse communities to help reverse the decline in enrollments. Washington has an educational attainment goal and by far the best financial aid program in the country, but there are not enough people going to college or taking advantage of financial aid. So increasing the rate at which high school graduates enroll in postsecondary

education is the single most important opportunity available to accelerate progress towards the educational attainment goal. Educational equity cannot be addressed with tuition support alone, and this proposal leverages financial aid but does not rely on it. Providing individualized supports is impactful. Over the last 50 years a variety of financial and bureaucratic barriers have been erected in high schools, college, financial aid offices, and communities to keep people out of college. This proposal helps to break down those barriers. It will allow students who have been told explicitly and implicitly that they do not get to go to college to go to college and succeed. The state needs to invest in communities who need assistance the most. There needs to be a statewide system of community-based postsecondary navigation and support in order to optimize an equity-focused use of funding.

Washington businesses are finding it increasingly difficult to hire qualified individuals. Washington's economy increased by 12,800 jobs in November, and the unemployment rate decreased to 4.7 percent. Incentivizing regional partnerships that include business is critical to developing programs that will increase educational attainment and to build a skilled and trained workforce.

Efforts to bring grants to local and regional entities to increase educational attainment are supported, but an amendment to include the Independent Colleges of Washington in the list of entities that the WSAC must consult would be appreciated. It is exceptionally important that the grants include an array of education options. Low-income students should not have fewer choices in which to pursue education.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) Obtaining postsecondary credentials is key to a person's long-term success and economic stability. Washington has a goal that 70 percent of students achieve postsecondary credentials. While there have been gains in both high school and postsecondary graduation, postsecondary enrollment has remained flat. During the COVID-19 pandemic, enrollment at community and technical colleges and four-year institutions has declined. Increasing the rate at which high school graduates enroll in postsecondary education is the most significant opportunity to accelerate progress toward the 70 percent goal. This will require targeted outreach to students.

The state should invest in community support across the state through the Career and College Pathways Innovation Challenge Program (Challenge Program) and support the approach of investing in local and regional partnerships representing cross-sector collaborations. The Washington Student Achievement Council (WSAC) already has great partnerships in place, and creating regional partnerships that connect high schools and postsecondary institutions with trusted community partners is the right approach to providing direct support to students. The bill would allow the WSAC's approach to grow and evolve by intentionally bringing the best thinking players together and giving them a

chance to stem the postsecondary completion and enrollment crisis in conjunction with financial aid programs already in place.

Washington faces major postsecondary attainment challenges despite being a national leader in need-based aid. Financial aid alone is not the answer. Passing and funding this bill is critical to solving the postsecondary enrollment crisis. The Challenge Program will also close equity gaps. This is a very important investment in the future of students and the workforce.

The bill should be funded at the level proposed in the Governor's proposed supplementary budget, which is \$16.6 million.

(Opposed) None.

Persons Testifying (College & Workforce Development): Senator Emily Randall, prime sponsor; Amy Anderson, Association of Washington Business; Bill Lyne, United Faculty of Washington State; Laura DiZazzo, Northwest Education Access; Terri Standish-Kuon, Independent Colleges of Washington; Marc Webster, Washington Student Achievement Council; Sequoia Dolan, Communities for Our Colleges; Edgar Espino, Associated Students of Central Washington University and Washington Student Association; Neil Strege, Washington Roundtable; April Shine; Jaelyn Sotelo, Washington Student Association; and Juliet Schindler, College Success Foundation.

Persons Testifying (Appropriations): Neil Strege, Washington Roundtable; Ben Mitchell, Foundation for Tacoma Students; Bish Paul, Washington Science, Technology, Engineering and Mathematics; Heather Hudson, Washington Student Achievement Council; and Juliet Schindler, College Success Foundation.

Persons Signed In To Testify But Not Testifying (College & Workforce Development): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.