

SENATE BILL REPORT

HB 1907

As Reported by Senate Committee On:
Higher Education & Workforce Development, February 24, 2022

Title: An act relating to scholarship displacement in postsecondary institutions' gift equity packaging policies.

Brief Description: Concerning scholarship displacement in postsecondary institutions' gift equity packaging policies.

Sponsors: Representatives Steele and Jacobsen.

Brief History: Passed House: 2/8/22, 95-1.

Committee Activity: Higher Education & Workforce Development: 2/22/22, 2/24/22 [DP].

Brief Summary of Bill

- Requires the Washington Student Achievement Council to ensure that postsecondary institutions participating in state student financial aid programs allow a student who receives a private scholarship to receive up to 100 percent of the student's unmet need before the student's federal, state, or institutional aid is reduced.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Randall, Chair; Nobles, Vice Chair; Holy, Ranking Member; Liias and Sefzik.

Staff: Alicia Kinne-Clawson (786-7407)

Background: Scholarship displacement is when a student's institutional, state, or federal

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financial aid is reduced due to the student's receipt of a private scholarship.

The Washington Student Achievement Council has authority to authorize institutions of higher education to participate in state financial aid programs. Institutional applicants which meet the required standards for participation and are approved by the office may administer and advertise state aid services to students.

Summary of Bill: The student achievement council must ensure that postsecondary institutions that participate in state student financial aid programs have a gift equity packaging policy allowing for a student who receives a private scholarship to receive up to 100 percent of the student's unmet need before any of the student's federal, state, or institutional financial aid is reduced. This requirement does not apply to public community and technical colleges.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: OTHER: As a former director of financial aid, I can say that all of our offices have gift equity policies that align with the requirements on this bill. Our public baccalaureate institutions have not and will not fail to meet the federal requirements and requirements under this policy. In all of our work, independent colleges want to make sure that the students furthest from opportunity have the tools they need to be successful. Our institutions work first to reduce unmet need before packaging loans. This legislation reflects our current practice.

Persons Testifying: OTHER: Ruben Flores, Council of Presidents; Dr. Terri Standish-Kuon, Independent Colleges of Washington.

Persons Signed In To Testify But Not Testifying: No one.