ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1659

State of Washington 67th Legislature 2022 Regular Session

By House Appropriations (originally sponsored by Representatives Slatter, Sullivan, Leavitt, Ryu, Morgan, Berry, Ramel, Thai, Wicks, Sells, J. Johnson, Berg, Bateman, Valdez, Chopp, Walen, Fey, Goodman, Gregerson, Taylor, Macri, Simmons, Wylie, Kloba, Pollet, Ormsby, Harris-Talley, Hackney, and Frame)

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AN ACT Relating to making higher education more affordable and accessible for students by bridging the gap between cost and need to reduce barriers, improve opportunity, and advance economic security; amending RCW 28B.92.030 and 28B.92.205; adding a new section to chapter 28B.92 RCW; creating new sections; and repealing RCW 28B.92.060, 28B.92.070, and 28B.92.110.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. The legislature finds that Washington is 8 NEW SECTION. not on track to meet the state's educational attainment goal that at 9 10 least 70 percent of adults, aged 25 to 44, have a postsecondary 11 credential by the year 2023. Adults without a postsecondary 12 credential are more at risk of unemployment, less likely to earn a 13 living wage, and more vulnerable to economic downturns. The student achievement council has deemed that there are four areas essential to 14 15 achieve the state's 70 percent attainment goal: Affordability, 16 enrollment, completion, and student supports. Ιn 17 affordability, the legislature recognizes that the Washington college grant is one of the country's largest and most generous financial aid 18 programs. However, the legislature also recognizes that despite an 19 increase in financial aid funding and eligibility, enrollments at 20 21 institutions of higher education are down due to the COVID-19

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pandemic. Many prospective students have made the decision to delay pursuing higher education for a myriad of reasons. However, fewer enrollments mean fewer graduates going on to work in high paying jobs, which could have a significant impact on the state's workforce and economy in the future.

The legislature intends to continue to work towards making higher education more affordable and accessible for the state's population by expanding the Washington college grant program. In addition, the legislature intends to provide additional support beyond tuition and fees with the recognition that many students struggle to pay for books, supplies, room and board, transportation, child care, and more while pursuing their education. Grants beyond tuition and fees can help bridge the gap for students who are struggling to pay for the entire cost of attendance at an institution of higher education, and are often the difference between a student staying enrolled and completing his or her education and dropping out. Since the legislature intends that the grant be provided to the student to assist with basic needs expenses, the legislature recognizes that the student should have a choice in whether the grant is received for those expenses or is applied to a student's account to cover additional institutional costs. Therefore, the legislature intends to bridge the gap and support students by making postsecondary education more affordable, encouraging more enrollments, and helping students complete their credentials so tomorrow's workforce and economy are stronger.

26 **Sec. 2.** RCW 28B.92.030 and 2019 c 406 s 21 are each amended to read as follows:

As used in this chapter:

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- (1) "Bridge grant" means an annual stipend provided in addition to the Washington college grant to provide supplementary financial support to low-income students to cover higher education expenses beyond tuition and fees, such as books, lab fees, supplies, technology, transportation, housing, and child care.
 - (2) "Council" means the student achievement council.
- $((\frac{(2)}{(2)}))$ (3) "Financial aid" means either loans, grants, or both, to students who demonstrate financial need enrolled or accepted for enrollment as a student at institutions of higher education.

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- 1 $((\frac{3}{3}))$ $\underline{(4)}$ "Financial need" means a demonstrated financial inability to bear the total cost of education as directed in rule by the office.
- $((\frac{4}{1}))$ (5) "Gift aid" means financial aid received, such as 4 grants, scholarships, or worker retraining assistance that provides 5 6 funds for educational purposes with no obligation of repayment. "Gift aid" does not include student loans, work-study programs, the basic 7 food employment and training program administered by the department 8 of social and health services, or other employment assistance 9 programs that provide job readiness opportunities and support beyond 10 the costs of tuition, books, and fees. 11
- 12 <u>(6)</u> "Institution" or "institutions of higher education" means:

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- (a) Any public university, college, community college, or technical college operated by the state of Washington or any political subdivision thereof; ((or))
 - (b) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level that is a member institution of an accrediting association recognized by rule of the council for the purposes of this section and that agrees to and complies with program rules adopted pursuant to RCW 28B.92.150. However, any institution, branch, extension or facility operating within the state of Washington that is affiliated with an institution operating in another state must be:
- 24 (i) A separately accredited member institution of any such accrediting association;
 - (ii) A branch of a member institution of an accrediting association recognized by rule of the council for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of ((twenty)) 20 consecutive years within the state of Washington, and has an annual enrollment of at least ((seven hundred)) 700 full-time equivalent students; or
- 34 (iii) A nonprofit institution recognized by the state of 35 Washington as provided in RCW 28B.77.240; or
- 36 $((\frac{\text{(iv)}}{\text{)}})$ <u>(c)</u> An approved apprenticeship program under chapter 37 49.04 RCW.
- 38 $((\frac{(5)}{(5)}))$ <u>(7)</u> "Maximum Washington college grant":
- 39 (a) For students attending two or four-year institutions of 40 higher education as defined in RCW 28B.10.016, is tuition and

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- estimated fees for ((fifteen)) 15 quarter credit hours or the equivalent, as determined by the office, including operating fees, building fees, and services and activities fees.
- 4 (b) For students attending private four-year not-for-profit institutions of higher education in Washington, in the 2019-20 academic year, is ((nine thousand seven hundred thirty-nine dollars)) 7 \$9,739 and may increase each year afterwards by no more than the tuition growth factor.
- 9 (c) For students attending two-year private not-for-profit 10 institutions of higher education in Washington, in the 2019-20 11 academic year, is ((three thousand six hundred ninety-four dollars)) 12 \$3,694 and may increase each year afterwards by no more than the 13 tuition growth factor.

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- (d) For students attending four-year private for-profit institutions of higher education in Washington, in the 2019-20 academic year, is ((eight thousand five hundred seventeen dollars)) \$8,517 and may increase each year afterwards by no more than the tuition growth factor.
- 19 (e) For students attending two-year private for-profit 20 institutions of higher education in Washington, in the 2019-20 21 academic year, is ((two thousand eight hundred twenty-three dollars)) 22 \$2,823 and may increase each year afterwards by no more than the 23 tuition growth factor.
 - (f) For students attending Western Governors University-Washington, as established in RCW 28B.77.240, in the 2019-20 academic year, is ((five thousand six hundred nineteen dollars)) \$5,619 and may increase each year afterwards by no more than the tuition growth factor.
- 29 (g) For students attending approved apprenticeship programs, is 30 tuition and fees, as determined by the office, in addition to 31 required program supplies and equipment.
- 32 $((\frac{(6)}{(6)}))$ <u>(8)</u> "Office" means the office of student financial assistance.
- (((7))) <u>(9)</u> "Tuition growth factor" means an increase of no more than the average annual percentage growth rate of the median hourly wage for Washington for the previous ((fourteen)) <u>14</u> years as the wage is determined by the federal bureau of labor statistics.
- NEW SECTION. Sec. 3. A new section is added to chapter 28B.92 RCW to read as follows:

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- 1 (1) As part of the Washington college grant program, all 2 Washington college grant recipients who qualify for the maximum 3 Washington college grant are entitled to also receive an annual 4 bridge grant.
 - (2) The office shall award bridge grants to eligible students beginning with the 2022-23 academic year.

- (a) For the 2022-23 and 2023-24 academic years, Washington college grant recipients who receive a maximum award, but who are not recipients of the college bound scholarship program under chapter 28B.118 RCW, shall receive a \$500 annual bridge grant.
- (b) Beginning with the 2024-25 academic year, bridge grant awards shall be as follows:
- (i) For Washington college grant recipients who receive a maximum award, but who are not recipients of the college bound scholarship program under chapter 28B.118 RCW, the annual maximum value of a bridge grant award shall be \$1,000.
- (ii) For Washington college grant recipients who receive a maximum award, but who are also recipients of the college bound scholarship program under chapter 28B.118 RCW, the annual maximum value of a bridge grant award shall be \$500.
- (3) To receive the full bridge grant for which the student qualifies, the student needs to be enrolled in an institution of higher education on at least a half-time basis.
- (4) The bridge grant shall be applied to a student's financial aid package after all other gift aid has been awarded to the student.
- (5) The office shall ensure that each institution of higher education provides students with the option to either apply the bridge grant to the student's account or have the bridge grant disbursed to the student.
- **Sec. 4.** RCW 28B.92.205 and 2019 c 406 s 20 are each amended to 31 read as follows:

In addition to other eligibility requirements outlined in this chapter, students who demonstrate financial need are eligible to receive the Washington college grant. Financial need is as follows:

(1) ((Until academic year 2020-21, students with family incomes between zero and fifty percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. Grants for students with incomes between fifty-one and seventy percent of the state median

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family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college grant amount:

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- (a) Seventy percent for students with family incomes between 3 4 fifty-one and fifty-five percent of the state median family income;
 - (b) Sixty-five percent for students with family incomes between fifty-six and sixty percent of the state median family income;
 - (c) Sixty percent for students with family incomes between sixtyone and sixty-five percent of the state median family income; and
 - (d) Fifty percent for students with family incomes between sixtysix and seventy percent of the state median family income.
 - (2))) For academic years 2022-23 and 2023-24, students with family incomes between zero and 60 percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. Grants for students with incomes between 61 and 100 percent of the state median family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college grant amount:
 - (a) Sixty percent for students with family incomes between 61 and 70 percent of the state median family income;
- (b) Fifty percent for students with family incomes between 71 and 21 75 percent of the state median family income;
 - (c) Twenty-five percent for students with family incomes between 76 and 80 percent of the state median family income; and
- 24 (d) Ten percent for students with family incomes between 81 and 25 100 percent of the state median family income.
 - (2) Beginning with academic year ((2020-21)) 2024-25, students with family incomes between zero and ((fifty-five)) 70 percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. Grants for students with incomes between ((fifty-six)) 71 and ((one hundred)) 100 percent of the state median family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college grant amount:
 - (a) ((Seventy)) Fifty percent for students with family incomes between ((fifty-six)) 71 and ((sixty)) 80 percent of the state median family income;
- 37 <u>Twenty-five</u> percent for students with family ((Sixty)) incomes between ((sixty-one)) 81 and ((sixty-five)) 90 percent of the 38 39 state median family income; and

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- 1 (c) ((Fifty percent for students with family incomes between sixty-six and seventy percent of the state median family income;
- 3 (d) Twenty-four and one-half percent for students with family
 4 incomes between seventy-one and seventy-five percent of the state
 5 median family income; and
- 6 $\frac{\text{(e)}}{\text{()}}$) Ten percent for students with family incomes between 7 $\frac{\text{((seventy-six))}}{91}$ and $\frac{\text{((one hundred))}}{100}$ percent of the state 8 median family income.
- 9 <u>NEW SECTION.</u> **Sec. 5.** The following acts or parts of acts are 10 each repealed:
- 11 (1) RCW 28B.92.060 (State need grant awards) and 2019 c 298 s 4 & 12 2012 c 229 s 558;
- 13 (2) RCW 28B.92.070 (Persian Gulf veterans—Limited application of RCW 28B.92.060) and 2012 c 229 s 559, 2004 c 275 s 38, & 1991 c 164 s 15 3; and
- 16 (3) RCW 28B.92.110 (Application of award) and 2009 c 238 s 10, 17 2004 c 275 s 40, & 1969 ex.s. c 222 s 16.
- NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2022, in the omnibus appropriations act, this act is null and void.

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