

SENATE BILL REPORT

SB 5205

As of January 20, 2025

Title: An act relating to Washington college grant award amounts.

Brief Description: Concerning Washington college grant award amounts.

Sponsors: Senators Conway, Nobles and Wellman.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/20/25.

Brief Summary of Bill

- Requires that the maximum Washington College Grant award increase by a tuition growth factor for institutions that: (1) have signed an affidavit attesting to certain nondiscrimination policies; and (2) are not subject to a prefinding settlement or final court order for discriminatory employment practices in violation of the Washington Law Against Discrimination.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Benjamin Omdal (786-7442)

Background: Washington College Grant. The State Need Grant was modified in 2019 and renamed the Washington College Grant (WCG). The WCG is the state's largest financial aid program and provides awards to low-income students to pursue postsecondary education.

The WCG is an entitlement program with guaranteed awards for those students who qualify. The WCG award amount varies based on the institution the student attends and the student's family income. For students attending the state's public institutions, the maximum

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award is tuition and services, and activities fees for 15 quarter credit hours or the equivalent, as determined by the Office of Student Financial Assistance (Office) within the Washington Student Achievement Council.

For students attending private, four-year, not-for-profit higher education institutions, in 2019-20 the maximum award was \$9,739. The maximum award for students at private, four-year, not for-profit institutions may increase by no more than the tuition growth factor annually. An eligible student may receive a WCG for five years or up to 125 percent of the published length of the student's program. Part-time students receive prorated awards.

The 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 14 years as the wage is determined by the Bureau of Labor Statistics.

Washington Law Against Discrimination. The Washington Law Against Discrimination (WLAD) prohibits discriminatory practices in employment; places of public resort, accommodation, or amusement; real estate transactions; and credit and insurance. The law protects persons from discrimination based on their race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veterans, or military status.

The law also protects persons from discrimination based on the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability. WLAD prohibits retaliation against persons who oppose a discriminatory practice, and those who file health care and state employee whistleblower complaints.

Summary of Bill: Attestation of Nondiscrimination Policies. In administering the WCG program, the Office shall adopt rules to allow for each institution of higher education to annually sign an affidavit that the institution has adopted policies in alignment with the WLAD.

The affidavit attests to prohibiting discrimination on the basis of race, creed, color, national origin, citizenship or immigration status, sex, veteran or military status, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability.

The affidavit shall include provisions that the institution has adopted specific nondiscrimination policies in operating its education program and in its capacity as an employer, including prohibitions against barring protected groups from employment, discriminating in compensation or conditions of employment, and printing or circulating that expresses any limitation, specification, or discrimination as to a protected class.

Exceptions Under the Affidavit. The affidavit contains several exceptions to nondiscrimination policies, including:

- student exclusion in an education program or activity based upon a bona fide qualification of the education program;
- refusal to hire, promote, or confer tenure based upon a bona fide occupational qualification or where a particular disability prevents the proper performance of the particular work involved;
- printing or circulating publications in connection with prospective employment that contain limitations based upon a bona fide occupational qualification; and
- participation in theology academic programs and campus ministry departments.

Washington College Grant Award Amounts. Maximum WCG awards must be adjusted as follows:

- for private institutions that have signed the affidavit and are not subject to a related prefunding settlement or court order, the award must increase annually beginning in the 2025-26 academic year by no more than the tuition growth factor; and
- for institutions that have not signed the affidavit or are subject to a related prefunding settlement or a court order, the award is the equivalent of 2024-25 tuition and fees for public institutions, and the current statutory award amounts for private institutions and Western Governors University-Washington.

Prefunding Settlement. Any institution of higher education subject to a prefunding settlement or a final court order for discriminatory employment practices in violation of the WLAD is not eligible for adjustments to the WCG award unless the institution has: (1) fulfilled the conditions or obligations associated with any court order or settlement resulting from the violation; or (2) has taken significant and meaningful steps to correct the violation, as determined by the Washington State Human Rights Commission in matters in which the Commission is a party.

An institution of higher education involved in a related court proceeding brought by the attorney general may continue to receive the tuition growth factor until a final order adjudicates the matter.

Appropriation: None.

Fiscal Note: Requested on January 17, 2025.

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: PRO: Removing the growth factor means that the students that are receiving the grants at private universities are getting less dollars compared to public students. The scholarship dollars are for students, who choose their own colleges. Need-based student aid levels the playing field for students who are lower-income. The maximum grant award has not increased since 2018 despite tuition and costs rising. Private

institutions in Washington serve Washington students at the same or higher rates than the public institutions. Pacific Lutheran University has been unable to guarantee tuition rates for all four years of a student's education due to the grant being delinked from inflation. The Washington College Grant allows students with lower incomes to attend good universities, particularly students of color. The bill holds schools accountable by requiring them to follow Washington's law on discrimination. Students at private institutions are not equally supported due to the grant award increasing only for public students, even though private institutions may be the more affordable option.

OTHER: The public institutions of Washington serve many students with high levels of need; the Legislature should provide these students with similar levels of support. Private institutions may set their tuition at their own choosing, without the statutory restrictions that public institutions have. The core mission of public institutions is to serve the state. Raising the award for private institutions feels like the wrong direction when it would only cover a small portion of tuition.

Persons Testifying: PRO: Senator Steve Conway, Prime Sponsor; Terri Standish-Kuon, Ph.D., Independent Colleges of Washington; Diego Gonzalez; Allan Belton, Pacific Lutheran University; Marquesse Miguelle Christinia, Pacific Lutheran University.

OTHER: Sandy Kaiser, The Evergreen State College; Sam Ligon, Washington State Council of Faculty; Eastern Washington University Faculty Legislative Rep..

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