

# 2014 State Need Grant Legislative Report

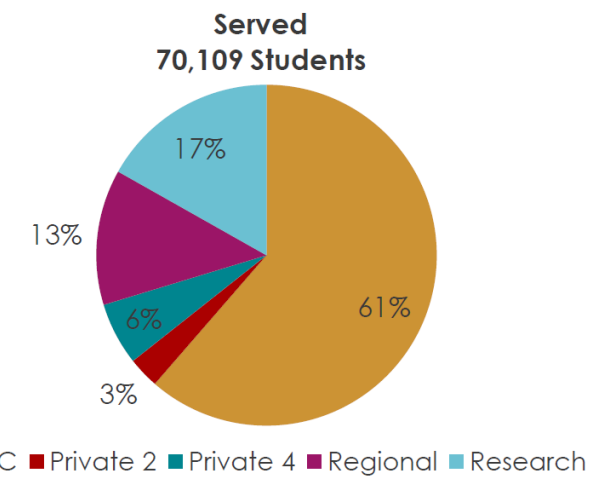
RCW 44.04.360  
RCW 28B.92.010

## STATE NEED GRANT CRITICAL TO INCREASING EDUCATIONAL ATTAINMENT IN WASHINGTON

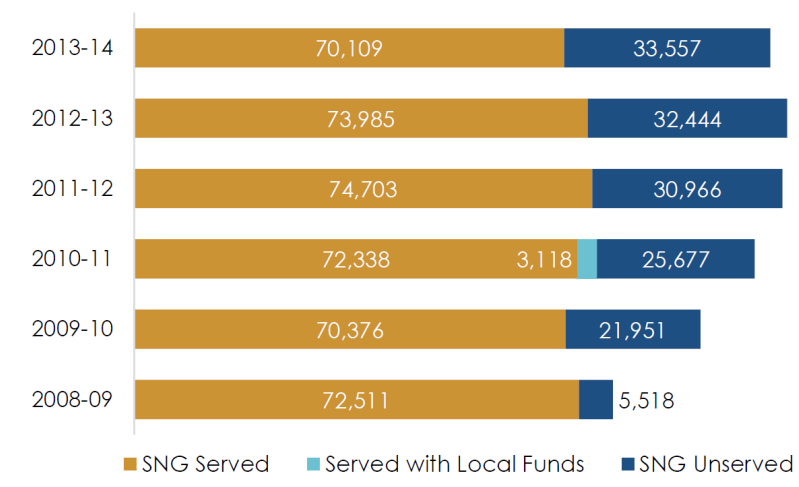
The State Need Grant (SNG) program is a key tool for expanding access and affordability in higher education. It is a critical strategy in positioning Washington to successfully meet its degree attainment goals.

Although Washington struggled during the great recession to keep higher education affordable for students and families—even in the wake of widespread budget reductions—the Legislature remained committed to increasing SNG funding in an attempt to keep pace with public college tuition increases for the state's lowest-income students.

Funding for low-income students has emerged as the Council's priority in the 2014 Strategic Action Plan to support progress toward the state's attainment goals.



### SNG ELIGIBLE STUDENTS



The 2014 SNG report outlines program design and current trends, including:

- \$303 million in SNG funding enabled over 70,100 low-income resident students to pursue a degree or credential in 2013-14.
- More than 33,500 eligible students were not funded due to insufficient funds.
- Students in the eligible upper-income ranges are less likely to receive the grant at four-year institutions.
- SNG coordinates with other aid: 95 percent of students also receive Pell Grant, 40 percent receive institutional or scholarship aid, and 50 percent borrow student loans.
- More than 2,000 undocumented students were able to apply for SNG in 2014-15.
- 68 higher education institutions currently participate in SNG.



### BACKGROUND

The State Need Grant (SNG) program has been assisting needy and disadvantaged students by offsetting a portion of their higher education costs since 1969. The primary goal of the SNG program is to provide the means for resident students from low-income backgrounds to access and complete postsecondary education in Washington. State Need Grants help low-income undergraduate students pursue degrees, sharpen skills, and retrain for new careers. SNG recipients include traditional and non-traditional students, spanning all age groups. In the 2012-13 academic year, Washington ranked first in the nation in the level of need-based financial aid per undergraduate enrollment; however, the number of students eligible for SNG has increased dramatically, severely straining the capacity of the program to serve all eligible students.

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### RECOMMENDATIONS

Upon review of recommendations provided by a national consultant, HCM Strategists, and in collaboration with stakeholders, the Council proposes:

- Strategically investing to fully fund all SNG-eligible students under current policy by 2023, starting with an additional \$16 million in fiscal year (FY) 2016 and \$32 million in FY 17.
- Establishing in statute the policy goal and award eligibility for SNG to minimize future variability in eligibility and awards. Include the less-than-half-time enrollment category in statute.
- Continuing to provide comprehensive information regarding SNG eligibility to the public on the Ready, Set, Grad website and in training materials for high school counselors and college access partners.
- Using administrative data sets to model the shared responsibility approach used in Minnesota (and variations) to evaluate the associated impact on service to eligible students in Washington with the WSAC financial aid workgroup and stakeholders.
- Developing proposals to incentivize student progress using SNG in collaboration with the Education Research and Data Center, the WSAC financial aid workgroup, and other stakeholders.

The State Need Grant program has provided access for students for over 40 years and should continue to be evaluated for improved student outcomes and to be supported to assist students in reaching their educational goals.



### AFFORDABILITY

The most recent review of student outcomes indicates that State Need Grants are associated with higher persistence and completion rates for eligible students who actually receive them.

Conversely, student surveys describe the increased stress and anxiety that result when eligible students go unserved.

Without SNG, unserved students must make difficult choices about work hours, debt levels, and course load, often with negative consequences on their ability to persist and complete.

### ABOUT THE COUNCIL

The Washington Student Achievement Council is a nine-member council and cabinet-level state agency that provides strategic planning, oversight, and advocacy to support increased student success and higher levels of educational attainment in Washington.

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