



2019 Legislative Wrap-Up

FUN FACTS

- About 2,900 bills introduced
- WSAC monitored 172, with 92 bills being analyzed
- 57 passed House of Origin cut-off (33%)
- 34 passed both chambers (20%)
- 12 have direct implications for WSAC's work

BREAKTHROUGH SESSION FOR POSTSECONDARY AFFORDABILITY



This session, the legislature made a historic investment in higher education by passing the Workforce Education Investment Act ([E2SHB 2158](#)). The Act creates a dedicated revenue source for higher education based on a three-tiered increase in the state's business-and-occupation tax paid by professions that depend on higher education. The revenue, totaling \$373.8 M for the 2019-21 biennium, may be used on higher education operations, compensation, programs, and student aid.

Washington College Grant: Guaranteed financial aid for low-, median-income students

The largest new program established by the Workforce Education Investment Act is the Washington College Grant, which will take the place of the state's flagship financial aid program, the State Need Grant. As the state's largest financial aid program, the State Need Grant serves over 70,000 low-income students each year. However, the grant is not a guarantee, and funding limitations have meant that not all eligible students received grants. This year alone, an estimated 18,000 eligible students could not be served.

The Washington College Grant changes that outlook by making the grant something that eligible students can count upon receiving. Beginning in the 2020-21 academic year, the Washington College Grant will be a guarantee for eligible state residents. In addition, the eligibility threshold

will increase, expanding need-based financial aid to middle class families. Currently, students qualify for the State Need Grant if their family income is at or below 70% of the state's median family income (MFI), which is \$61,500 for a family of four. Under the Washington College Grant, eligibility is extended to students at or below MFI, which is currently \$91,766 for a family of four. Students with family incomes up to 55% MFI will qualify for full awards (the maximum set for their institution type), while students with family incomes between 56% and 100% MFI will qualify for prorated partial awards.

The 2019-20 academic year will serve as a transition year. Grant funding won't be a guarantee, but with increased funding, the program will serve an additional one-third of the remaining unserved students, approximately 6,000 additional students. In addition, the maximum award amounts for public colleges and universities will increase to cover full tuition and fees.

The major programmatic changes take effect the following academic year, beginning in 2020-21, to include the guaranteed funding for eligible students, the expanded eligibility to 100% MFI, and an expansion to serve people in registered apprenticeships. In total, funding for the grant program over both years of the biennium amounts to \$199.1 million.

The Washington College Grant builds on the State Need Grant, which is nationally recognized as one of the most flexible state financial aid programs. The program covers a wide variety of enrollment scenarios. It serves not only recent high school graduates, but also adult students who have not yet earned bachelor's degrees. Grant recipients can use the financial aid at any of Washington's eligible institutions, including public two- and four-year colleges and universities and many accredited private/independent colleges, universities, and career schools. Students may enroll either part-time or full-time. Students can use the grant towards bachelors and associate degrees, vocational certificates, and registered apprenticeships. With the changes to come – guaranteed funding, increased award amounts, and expanded eligibility – the Washington College Grant improves upon the flexibility of the State Need Grant, simplifying the message of affordability and making it dependable.

Sign-up window for the state's early promise program extended

In 2007, the State Legislature created the College Bound Scholarship program to alleviate the financial barriers preventing students from considering college as a possibility. Middle school students from low-income families are eligible to sign a pledge in exchange for an early commitment of state funding to support their college dream. If they meet the pledge requirements and income-eligibility in their senior year of high school, they will qualify for state financial aid to cover tuition at public rates, some fees, and a small book allowance. This session, the Legislature passed a bill ([E2SHB 1311](#)) to extend the sign-up opportunity to eligible 9th graders if they were previously not eligible in the 7th or 8th grade.

Campaign expanded to increase financial aid application

Filing a financial aid application is a crucial first step toward an affordable degree or credential. Many eligible students miss out on financial aid because they don't apply for it. This is a problem nationally, and especially in Washington State, where only 56 percent of our public high school seniors completed the Free Application for Federal Student Aid (FAFSA) in 2017-18. To help boost application rates, the State Legislature supported WSAC's request to expand our statewide campaign. Through the Workforce Education Investment Act, the state provided \$1.2 million dollars this biennium for digital engagement tools, expanded training, and increased events at high schools to support students through the financial aid application process. This campaign will serve in tandem with promotional efforts for the new Washington College Grant, which gives students yet another reason to apply for financial aid.

New state-supported student loan refinancing program to provide debt relief

Another program created through the Workforce Education Investment Act is the Washington Student Loan Refinancing Program. This program will help Washingtonians address the burden of student loan debt, by making higher education more accessible and affordable. With initial funding of \$2.2 million for the biennium, WSAC will contract with up to five private financial institutions to refinance student loans. State funds will be used to assist the institutions in refinancing loans through either a buy-down incentive, allowing qualified borrowers to receive a below market interest rate, or partial risk coverage to cover losses on qualified loans.

INVESTMENTS IN WORKFORCE AND EDUCATION

Career Connected Learning

One of Governor Inslee's priorities this session was to create work-based learning and exploration opportunities for students that allow them to earn money while they learn, earn a credential, and prepare for a job. With funding of about \$24 million for the biennium, the State Legislature supported components of the Career Connect Washington initiative, including a cross-agency work group, a grant program to support regional networks and program intermediaries, and school district support for student participation in career launch programs.

Support for higher ed includes investments in compensation, high-demand fields

The legislature provided a total of \$45.1 million in base compensation funding for the two- and four-year public institutions. In addition, the career and technical college (CTC) system receives \$60.8 million in additional funding to raise salaries for faculty in high-demand fields such as computer science, engineering, and nursing.

Educator workforce bill advances statewide efforts to recruit and retain educators

The State Legislature passed a comprehensive bill ([E2SHB 1139](#)) including many recruitment and retention strategies for addressing the educator workforce shortage. The bill includes a full suite of financial aid programs that address various points in the educator career continuum. This includes conditional scholarship and loan repayment programs that incentivize employment in shortage areas by requiring recipients to complete a service obligation in exchange for receiving financial assistance. The bill groups several programs under one administrative umbrella, streamlining their administration and making the use of state appropriations more flexible across them. In addition, the Workforce Education Investment Act funded WSAC's budget request to expand and make permanent the Teacher Shortage Conditional Scholarship program, supporting a future teacher workforce that better reflects the students it serves. Total funding for WSAC's implementation of the financial incentive programs and other components of the bill amounts to \$5.6 million for the biennium.

Washington Health Corps expands loan repayment for behavioral health

In 1989, the State Legislature established a loan repayment program to address health care workforce shortages in rural and underserved urban communities. The program repays all or a portion of the healthcare provider's outstanding educational loan debt in exchange for service at an eligible site. Building upon this existing infrastructure, the legislature passed a bill ([2SHB 1668](#)) this session to help address the state's dire need for behavioral health professionals. The bill creates a new loan repayment subprogram for behavioral health professionals. This subprogram, along with our existing program, are grouped under a new administrative umbrella called the Washington Health Corps. The bill also improved the formula for calculating the penalty that participants incur if they fail to fulfill the service obligation. The new penalty formula better incentivizes retention without overburdening the participant. In addition to \$7.6 million in base funding for the original program, the legislature provided \$2.0 million for the new behavioral health subprogram. That funding will also support a study examining the need, feasibility, and potential design of a new grant program to support behavioral health students completing unpaid pre-graduation internships and post-graduation supervised hours for licensure.

SUPPORTS FOR COLLEGE STUDENTS

This session we saw a number of bills recognizing hurdles that negatively affect students' ability to enroll in and complete college, particularly for vulnerable populations. The legislature passed the following bills to establish supports and remove barriers.

Investment expands Guided Pathways at community and technical colleges

The State Legislature made a significant investment of \$32.1 million to expand the Guided Pathways model that incorporates advising, student support, and rethinking pathways to a credential for students in the Community and Technical College system. Guided Pathways is a

research-based approach that re-imagines advising and course sequencing to eliminate barriers for students. Its expansion should result in higher retention and completion rates.

Pilot supports college students experiencing homelessness or formerly in foster care

2SSB 5800 establishes pilot programs to assist college students experiencing homelessness and former foster youth with accommodations such as laundry, shower facilities, meals, technology, housing assistance, and case management. The program received initial funding of \$800,000 for the biennium to launch programs at four community and technical college districts and two public baccalaureates.

New emergency grant program established, along with efforts to coordinate benefits

With initial funding of \$1.5 million for the biennium, 2SHB 1893 creates a grant program for community and technical colleges to assist students experiencing emergencies or unforeseen situations. It also initiates work to enable students to access SNAP benefits on campus and to explore coordinating eligibility for public benefits (e.g., SNAP and Federal or State Work Study).

Work requirements removed to increase access to child-care subsidy

The State Legislature provided \$1.4 million to support legislation (2SHB 1303) removing the work requirement for full-time students in certain certificate programs. In addition, the Workforce Education Investment Act extended this exemption to single parents pursuing vocational education full-time, with an additional \$4.2 million.

HIGH SCHOOL PATHWAYS

Changes to high school graduation requirements increase pathways available

E2SHB 1599 removes the direct link between statewide assessments and graduation requirements. It requires graduating students to demonstrate career and college readiness through one of eight graduation pathway options aligned with the high school and beyond plan.

Dual enrollment scholarship pilot program established

With initial funding of \$1.6 million for the biennium, the legislature passed 2SHB 1973 establishing a dual enrollment scholarship pilot program to cover costs of Running Start and College in the High School for low-income students. The intent is to improve equity so that all students in dual enrollment programs have the same opportunity to earn college credit regardless of their family's financial circumstances.

Policy change ensures students awarded maximum credit for dual credit examinations

ESSB 5410 requires institutions to award as much credit as possible and appropriate for specific scores on Advanced Placement, International Baccalaureate, and Cambridge International exams.

OTHER HIGHLIGHTS

Supporting immigrants' role in the workplace

E2SSB 5497 establishes a work group to strengthen immigrants' career pathways. The legislation also requires state agencies to limit personal information requested and retained, and to provide service without regard to citizenship or immigration status.

In-state tuition for veterans entitled to vocational rehabilitation

SB 1688 aligns definitions of resident students with recent changes in Federal law to allow veterans who are entitled to federal vocational rehab benefits to receive in-state tuition at public institutions.

Providing educational opportunities for incarcerated adults

2SSB 5433 supports a study and proof of concept pilot for implementing secure internet connections to expand postsecondary educational opportunities for incarcerated individuals. National and state research finds that providing education to inmates reduces recidivism, thereby saving the state money in the long run.

Workgroup charged with improving higher education data systems

WSAC will participate on a stakeholder workgroup facilitated by the Ruckelshaus Center to develop recommendations for improving higher education data systems. The workgroup is charged with developing recommendations for increasing transparency and accountability, minimizing duplication and creating efficiencies, linking labor market data with postsecondary data, developing a statewide postsecondary dashboard, and increasing access to P-20 data systems in service to state educational goals.