

Update May 1, 2023

Original sent April 27, 2023

TO: Financial Aid Administrators

FROM: Becky Thompson, Director of Student Financial Assistance

SUBJECT: 2023 Legislative Session Overview

The 2023 Legislative Session concluded on April 23, and the budget is waiting for the Governor's signature. We are providing 2023-24 award amounts and an MFI chart which includes the expanded maximum award to 65% for the Washington College Grant (WCG), Washington Bridge Grant, and College Bound Scholarship (CBS) programs. Please note that the award amounts are not final until the Governor signs the budget, but we do not anticipate any changes.

This memo provides a high-level overview of legislation and budget items related to state student financial aid programs. WSAC will be following up with updated 2023-24 program manuals, with operational details, and will be providing in person and virtual training workshops this May.

Public Tuition and Appropriations

Public tuition will increase for 2023-24, based on current state policies. Washington College Grant and College Bound Scholarship award amounts for public colleges will be adjusted to reflect this increase. There also will be slight adjustments to private colleges' CBS award amounts based on statute.

The budget includes adjustments to 2022-23 and 2023-24 appropriations for Washington College Grant and College Bound Scholarship based on current enrollment projections that estimate fewer eligible students than originally forecasted.

State aid appropriations, pending the Governor’s signature, are as follows:

Program	2022-23 (in millions)	2023-24 (in millions)
Washington College Grant	\$431	\$427
College Bound Scholarship	\$14.2	\$14.1
State Work Study	\$7.8	\$7.8
Passport to College	\$6	\$6
National Guard Grant	\$ 0.625	\$1.125

Passed Legislation/Implementation

Financial Aid Programs:

Washington College Grant

- Maximum award MFI range expanded from 0-60% MFI to 0-65% MFI. All other MFI categories remain the same. (Budget Language, [ESSB 5187](#), Section 923 (2)(b), p. 670)
- “Bridge Grant” of \$500 for students enrolled in at least 3 credits, added to 0-65% MFI WCG recipients who are not receiving CBS. (Budget Language, [ESSB 5187](#), Section 613(9), p. 606)

Washington College Grant – Connect (WCG-C)

2SHB 1835, section 5 passed in the 2022 legislative session, effective for the 2023-2024 academic year. This bill allows students in three specific public benefit programs to be considered meeting financial need for maximum Washington College Grant funding without having to complete a FAFSA or WASFA. This applies to WCG only and does not meet the eligibility requirements for College Bound Scholarship (CBS) or Passport to Careers (PTC).

The goal of 2SHB 1835 is to help connect students to higher education and to remove barriers to paying for college. Students who meet eligibility under this category are referred to being eligible under the Washington College Grant – Connect (WCG-C). To ensure students are receiving the full aid (federal and institutional) that they are entitled to, college staff should encourage eligible students to complete a FAFSA or WASFA.

Automatic WCG income eligibility under 2SHB 1835 is for students receiving any of the following public benefit programs:

- Aged, blind, or disabled assistance benefits under Chapter 74.62 RCW
- Essential needs and housing support program benefits under RCW 43.185C.220
- Pregnant women assistance program financial grants under RCW 74.62.030

WSAC is currently reviewing other public benefit programs and may expand this list this summer.

A WCG-Connect eligibility checker is available in the WSAC Portal under Programs -> WCG-Connect -> Eligibility Checker. Detailed instructions on how to use the checker and guidance on awarding procedures will be outlined in the program manual. Additional training will be provided later this Spring.

College Bound Scholarship (HB 1232)

- Requires only College Bound Scholarship (CBS) eligible students seeking direct admission to a public or private four-year institution of higher education to graduate from high school with at least a C grade point average.
- Requires the Education research and Data Center to annually send CBS data that is submitted by institutions of higher education to the Washington Student Achievement Council (WSAC).
- Requires WSAC to submit an annual legislative report beginning November 1, 2023, on CBS data.

National Guard Grant

National Guard Grant received \$500,00 additional appropriation annually.

Tuition Operating Fees (SB 5079)

Requires OFM to calculate, and transmit to the institutions of higher education, the maximum annual increase in tuition operating fees for resident undergraduate students by October 1st of each year for the following academic year.

State Student Loan (EHB 1823)

This bill amended E2S HB 1736 passed in the 2022 legislative session. Eligibility for the program is modified to be limited to students enrolled in eligible high demand advanced degree programs including health care, behavioral health, education, law enforcement and public safety, and others as determined by the Office of Student Financial Assistance. The office may begin awarding student loans under the program beginning in the 2025-26 academic year.

The interest rates for loans issued under the program must not exceed 2.5 percent. Interest on a borrower's loan does not accrue while enrolled in an eligible higher education program. The maximum borrowing limit per borrower is set at \$20,000 annually and the maximum loan repayment period is 25 years unless an exception is granted by the office.

Conditional Scholarship Obligations (EHB 1763)

- Limits the interest rate on the loan and repayment to 2 percent for conditional scholarships under the Washington Health Corps (WHC). Note WHC is not currently offering conditional scholarships. WSAC to consult with stakeholders on implementing in the future.
- Requires the Office of Student Financial Assistance to reduce barriers for students completing a service obligation which may include providing wrap around support services.

Washington State Opportunity Scholarship (WSOS) Program Administration (SHB 1289)

For informational purposes. Please note, WSAC does not administer WSOS.

- Allow the WSOS Board to establish and contract with private nonprofit corporations for program administration purposes.
- Modifies requirements under the state match for both the WSOS and the Rural County High Employer Demand Jobs Program (Rural Jobs Program).