

Multiple Agency Fiscal Note Summary

Bill Number: 6044 SB	Title: Student financial aid
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Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Total \$						

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2009-11			2011-13			2013-15		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Higher Education Coordinating Board	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Superintendent of Public Instruction	Fiscal note not available								
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
Total	0.0	\$0	\$0	0.0	\$0	\$0	0.0	\$0	\$0

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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Prepared by: Monica Jenkins, OFM	Phone: 360-902-0561	Date Published: Final
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 24153

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 6044 SB	Title: Student financial aid	Agency: 343-Higher Education Coordinating Board
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.
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The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Aldo Melchiori	Phone: (360)786-7439	Date: 02/17/2009
Agency Preparation: John Klacik	Phone: 360-753-7851	Date: 02/20/2009
Agency Approval: Don Bennett	Phone: 360-753-7831	Date: 02/20/2009
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 02/20/2009

Request # 102-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This fiscal note reflects fiscal impact on the HECB and public baccalaureate institutions of higher education.

The consolidation of aid programs and re-branding of board programs to be labeled "opportunity passport" has an administrative and financial aid grant dollar impact that is indeterminate. Please see expenditure narrative for more information.

This omnibus bill reduces WA Scholars to a two-year award, suspends EOG scholarship selections, considers placebound students in SNG, allows institutions to use their Institutional 3.5% Financial Aid Funds for dual credit students, requires tuition billing statements and financial aid award letters to include the "opportunity passport" label.

SEC 2 - Consolidation of the EOG program into the SNG program. As of 8/1/09, no new EOG awards may be made. All EOG awards must be completed by 8/1/11.

SEC 3/4/5 - Creates a separate appropriation (if and when funded) for awarding placebound students within the state need program. This award would be in addition to the regular SNG. Adds "placebound students" to the list of board selection criteria for awarding SNG. Adds a "placebound" definition to the SNG statute.

SEC 6/7/8 - Cuts the Scholars award by half for new awardees after 8/1/09. Expresses legislative intent to redirect any cost savings from changes in WA Scholars eligibility to SWS. Grandfathers in Scholars waiver recipients awarded before 8/1/09 (not necessary since waivers ended in 1994). Grandfathers in Scholars award recipients selected before August 1, 2009 and cuts length of eligibility for award in half for award made after 8/1/09.

SEC 9 - Negates grandfather clauses in Sections 7 and 8 above because it uses "receiving grants or waivers before August 1, 2009" instead of "selected to receive grants or waviers before August 1, 2009". In the House version (2021), this was amended in a proposed substitute to "identified" students before August 1, 2009.

SEC 10 - Rebrands all federal, state, and institution student aid programs under an "Opportunity Passport" label. Public institutions are required to include this label on all financial aid award letters and tuition billing statements.

SEC 11 - The HECB is required to label all financial aid programs it administers as "Opportunity Passport" in all printed materials, presentations and web content. The ability to customize these documents to differentiate between program eligibility requirements and student obligations is allowed.

SEC 12/13 - Institutional financial aid fund may be used by the institution for high school students enrolled in dual credit programs.

SEC 14 - Public institutions are encouraged to review their policies and procedures in dual credit programs.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

HECB Impact:

SEC 2 - The Board will manage all aspects of the consolidation process of EOG into SNG with students and institutions, including funds management, payments, institutional training, communications, and closeout activities. The EOG trust has sufficient funds to cover all committed expenditures for current EOG recipients. However, to fund 09-10 EOG applications prior to the 8/1/09 deadline, an additional \$2.9M for the 09-11 biennium would be needed to cover two year EOG commitments to new 09-10 awardees.

If EOG is consolidated into SNG, in order to continue to offer enhanced financial aid awards to place-bound students, additional appropriations of \$2.9M would be needed annually to serve the same number of students at the same award amounts as the current EOG program.

SEC 3/4/5 – It is assumed that eligibility for place-bound/junior status enhanced SNG award recipients will remain centralized as it is for the current EOG program. Students selected after August 1, 2009 are assumed to be subject to new regulations. If the place-bound/junior eligibility is funded for enhanced SNG awards, the program funding needs would remain the same as for the current EOG program which has 1 FTE program coordinator. Currently, \$2.9 million is disbursed to 1,361 EOG recipients. The award amounts for the enhanced SNG awards to place-bound/junior students are assumed to be within the Board's purview.

SEC 6/7/8 – It is assumed all existing regulations remain in effect for WA Scholars, with additional language added to differentiate receivers of reduced eligibility benefits. Award savings for WA Scholars will not be realized until the 2012-13 fiscal year when a reduction in recipients will occur resulting in a savings of approximately \$815,000.

SEC 10/11 – It is assumed that re-branding state financial aid programs will require modification and re-publication of program outreach materials, manuals, and other materials for a total cost of \$20,000.

SEC 12/13/14 – No impact to the Board.

Institution Impact:

The University of Washington anticipates a fiscal impact of approximately \$73,700 for administrative expenses related to this bill, including 800 hours of programming time to revise billing, web based services and award letter systems.

WSU estimates the administrative cost to implement this bill at approximately \$18,000 as detailed below.

Training/Staff Development relative to financial aid program changes: \$500
Reprogramming existing systems to accommodate financial aid program changes: \$2,500
Redesign of billing statements/award letters to comply with requirements of Sec. 11: \$10,000
Portal and web development / maintenance to describe and clarify opportunity grants: \$1,000
Incorporating the 'opportunity grant' language into promotional material: \$3,000
Coordination with the HECB to develop outreach tools: \$1,000

These costs assume training will occur primarily via webinar or email dissemination of information. Off-site training is assumed to be in Spokane. Reprogramming costs relate primarily to consolidating the EOG program with SNG, and include developing policies and procedures for dual-enrolled students who may qualify for aid under this bill. Coordination with HECB assumes 2 airfares for one trip to Olympia. If more frequent meetings are required the cost would increase.

HECB analysis would anticipate that expenditures associated with the administrative requirements would be no more than \$50,000 each for comprehensive institutions and The Evergreen State College. HECB analysis would anticipate that the total amount of administrative expenditures could be up to the \$300,000 in one-time costs for public baccalaureate institutions of higher education.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 6044 SB	Title: Student financial aid	Agency: 699-Community/Technical College System
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Part I: Estimates

☒ No Fiscal Impact

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Aldo Melchiori	Phone: (360)786-7439	Date: 02/17/2009
Agency Preparation: Paula Moore	Phone: 360-704-4384	Date: 02/18/2009
Agency Approval: Denise Graham	Phone: 360-704-4350	Date: 02/18/2009
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 02/18/2009

Request # -1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SB 6044 directs all public institutions of higher education to label the state subsidy per student, as an "Opportunity Grant" on the tuition billing statement.

It also directs all public institutions of higher education to label all types of financial aid as an "Opportunity Grant" on the tuition billing statement or the financial aid award letter. This includes aid from all sources including federal, state, and local governments, local communities, nonprofit and for-profit organizations, and institutions of higher education. Institutions retain the ability to customize their tuition billing statements and financial aid award letters to differentiate between programs and provide the clearest information to students.

Under SB 6044 colleges and universities may use their institutional aid funds for students in dual credit programs.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

In order to comply with SB 6044, colleges will need to adjust the phrasing and design of their tuition billing statements and financial aid award letters. This can be done within existing resources.

SB 6044 also allows colleges to let students in dual credit programs receive money from the college's institutional aid fund. This will not expand expenditures from the fund, but may result an adjustment of expenditure patterns within the fund, either from the short-term loan programs or the types of students receiving aid. The State Board does not anticipate a significant workload to financial aid staff as a result of this provision of SB 6044.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.