

HOUSE BILL REPORT

SSB 5953

As Reported by House Committee On:
Postsecondary Education & Workforce
Appropriations

Title: An act relating to financial aid grants for incarcerated students.

Brief Description: Concerning financial aid grants for incarcerated students.

Sponsors: Senate Committee on Human Services (originally sponsored by Senators Wilson, C., Frame, Hasegawa, Kuderer, Lovelett, Nguyen, Nobles, Salomon, Trudeau and Valdez).

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 2/16/24, 2/21/24 [DPA];
Appropriations: 2/23/24, 2/26/24 [DPA(PEW)].

Brief Summary of Substitute Bill
(As Amended by Committee)

- Allows incarcerated individuals to apply for and utilize federal and state financial aid grants for postsecondary education programs at the Department of Corrections.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: Do pass as amended. Signed by 14 members: Representatives Slatter, Chair; Entenman, Vice Chair; Reed, Vice Chair; Ybarra, Ranking Minority Member; Waters, Assistant Ranking Minority Member; Jacobsen, Klicker, Leavitt, McEntire, Nance, Paul, Pollet, Schmidt and Timmons.

Staff: Saranda Ross (786-7068).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Postsecondary Education Programs in State Correctional Facilities.

The Department of Corrections (DOC) offers certain education and work programs to incarcerated individuals at state correctional institutions based on available funding and with the following goals, prioritized in the order listed:

1. the achievement of basic skills by obtaining a high school diploma or the equivalent;
2. the achievement of vocational skills necessary for work programs and to qualify for work upon release;
3. participation in additional work and education programs necessary to comply with an individual reentry plan, including special education services and postsecondary degree or certificate education programs; and
4. participation in other appropriate vocational, work, or educational programs not necessary for compliance with an individual reentry plan, including postsecondary degree or certificate education programs.

If programming is provided for goals 1, 2, or 3, the DOC pays the cost, including books, materials, and supplies. If programming is provided for goal 4, incarcerated individuals are required to pay all or a portion of the cost, including books, fees, and tuition based on a DOC formula that correlates to incarcerated individuals' average monthly income or available savings, and a prorated portion or percent of the per-credit fee. A third party, such as a nonprofit or community-based postsecondary education program, may pay the DOC directly for all or a portion of the programming costs aligned with the fourth goal.

Incarcerated individuals are selected to participate in postsecondary education programs based on priority criteria determined by the DOC. Priority should be given to individuals who:

- do not already possess a postsecondary education degree; and
- have a reentry plan that includes participation in a postsecondary degree or certificate program that is offered at the individual's correctional facility, is approved by the DOC as eligible and effective, and is limited to a postsecondary degree or certificate program.

Incarcerated individuals who do not meet the priority criteria for the DOC's postsecondary degree education program must pay the DOC to participate in a postsecondary education degree program, including books, fees, or tuition, or a third party can provide payments to the DOC on the individual's behalf.

Financial Aid for Incarcerated Students.

As a result of statutory changes enacted through the Free Application for Federal Student Aid (FAFSA) Simplification Act, incarcerated individuals enrolled in approved prison education programs have been eligible for federal Pell Grants since July 2023. Pell Grants are a form of need-based federal student aid that generally does not need to be repaid. Pell Grants are usually only awarded to undergraduate students who display exceptional financial need and have not earned a bachelor's, graduate, or professional degree. A person can receive Pell Grant aid for no more than 12 academic terms or the equivalent. Award

amounts vary based on expected family contribution, cost of attendance, full-time or part-time status, and plans to attend for a full academic year or less. A person must complete the FAFSA to determine their eligibility for a Pell Grant, and there is a separate FAFSA form for incarcerated applicants.

The Washington College Grant (WCG) provides need-based financial aid to income-eligible resident students pursuing education beyond high school. Award amounts vary based on income, family size, and the school or program attended. The WCG is available to Washington residents, including undocumented individuals, who: demonstrate financial need; are enrolled at a Washington higher education institution or an approved, registered apprenticeship program; file a financial aid application; and do not already have a bachelor's degree or higher. Individuals who do not file a FAFSA can file a Washington Application for State Financial Aid (WASFA) to apply only for state financial aid.

The DOC is required to work with the State Board for Community and Technical Colleges to develop a plan to assist incarcerated individuals selected to participate in postsecondary degree or certificate programs with filing a FAFSA or WASFA.

Gift Aid.

Gift aid is financial aid received from the federal Pell Grant, the WCG, the College Bound Scholarship Program, the Opportunity Grant program, or any other state grant, scholarship, or worker retraining program that provides funds for educational purposes with no obligation of repayment. Gift aid does not include student loans, work-study programs, the Basic Food Employment and Training program administered by the Department of Social and Health Services, or other employment assistance programs that provide job readiness opportunities and support beyond the costs of tuition, books, and fees.

Summary of Amended Bill:

If programming provided for goals 1, 2, and 3 is not financial aid-eligible at the time an incarcerated individual is enrolled or paid for by a third party, the DOC maintains the duty to pay the cost of such programming.

If programming provided for goals 1, 2, and 3 is eligible for financial aid grants, the DOC may require an incarcerated individual to apply for, but may not require utilization of, any available federal and state financial aid grants as a condition of participation in such programming. It is at an incarcerated individual's discretion to utilize available financial aid, self-pay, third-party funding, or a combination of these methods for financial aid-eligible postsecondary programming provided for goals 1, 2, and 3. If the cost of attendance exceeds any financial grant awards that may be available to an incarcerated individual or an incarcerated individual is not eligible for financial aid, then the DOC must pay the cost of attendance not otherwise covered by third-party funding. All regulations and requirements set forth by the United States Department of Education for federal Pell

Grants for prison education programs apply to financial aid-eligible postsecondary programming.

An incarcerated individual remains responsible for paying all or a portion of the costs for programming provided for goal 4, but may apply for and utilize available federal and state financial aid grants for such programming.

The DOC must adjust its award formula for determining how much an incarcerated individual pays for programming under goal 4 to become a postaward formula that deducts amounts from available financial aid or other sources. Any postaward formula offsets and funds paid by the DOC for educational programming under goal 4 cannot result in the reduction of gift aid. An incarcerated individual who chooses to self-pay or utilize third-party funding for postsecondary programming is not subject to the postaward formula.

All incarcerated individuals must receive financial aid and academic advising from an accredited institution of higher education prior to enrollment in a financial aid-eligible postsecondary education program. Choosing not to participate or stopping participation in a financial aid-eligible postsecondary program will not result in a loss of privileges.

Incarcerated individuals not meeting the DOC's priority criteria for postsecondary degree education programs offered by the DOC or its contracted providers must pay for the costs of participation by one or more of the following means:

- for a postsecondary degree education program that is eligible for financial aid, an incarcerated individual may provide the required payments to the school;
- for a postsecondary degree education program that is not eligible for financial aid, an incarcerated individual may provide the required payments to the DOC; or
- a third party may provide the required payments to the DOC on an incarcerated individual's behalf.

Incarcerated individuals subject to a detainer are subject to financial responsibility requirements for programming under the postaward formula. Restrictions on participation for individuals sentenced to death are removed.

A complete list of postsecondary degree and certificate education programs offered at each state correctional facility, including enrollment and completion rates for each program, is added to the annual state agency report on postsecondary education programs and incarcerated individuals. Correspondence courses are ineligible for state and federal financial aid funding.

Amended Bill Compared to Substitute Bill:

The amended bill requires a complete list of postsecondary degree and certificate education programs offered at each state correctional facility, including enrollment and completion rates for each program, to be added to the annual state agency report on postsecondary

education programs and incarcerated individuals. Correspondence courses are ineligible for state and federal financial aid funding under the amended bill.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Incarcerated individuals can access Pell Grants. This bill leverages federal dollars and will dramatically expand access to programming inside correctional facilities. The difference between this bill and the House version, House Bill 2171, is that this bill authorizes the Pell Grant and the WCG but also implements programs inside the DOC. Additionally, in this bill the DOC is a means of last resort versus the means of first resort in terms of paying for programming. Drawing down federal dollars means that the state's two- and four-year institutions will come into our systems because they will know that individuals have the money they need to access the additional programs. This bill has a robust equity lens. Every dollar invested, up to \$19.80, is saved in reduced recidivism.

If passed, the DOC anticipates establishing 27 unique financial aid pathways in fiscal year 2025 with a capacity of over 750 students annually, including 15 new academic degree pathways. The DOC anticipates up to 85 percent of all participants to qualify for financial aid grants. This bill would enable the DOC to reinvest and redistribute existing general operating funds to expand educational opportunities up to a bachelor's degree and fund the cost of attendance for students who do not qualify for financial aid. For financial aid-eligible programs, the DOC intends to implement a three step approval process for each program degree pathway, require staff from institutions of higher education to provide academic and career advising, and ensure credit transferability and access to the institutions post-release.

For incarcerated individuals to access the WCG, academic programs must first be approved by the United States Department of Education. The WCG works together with the Pell Grant to cover the cost of tuition. A student's lifetime usage for the Pell Grant and the WCG is only calculated in quarters in which the student uses financial aid, so students can start and stop and still have their remaining financial aid available. If a student is enrolled less than full time, their financial aid usage is prorated. These calculations are very important for incarcerated students who may experience time gaps in their education journey. Currently, access to federal financial aid is limited to Second Chance Pell Grant Experimental Sites, which will be phased out by the Department of Education. This bill allows a much broader population of incarcerated individuals to access financial aid and

pursue postsecondary education.

(Opposed) None.

Persons Testifying: Senator Claire Wilson, prime sponsor; Brooke Davies, Justice Action Network; Danielle Armbruster and Kristen Morgan, Department of Corrections; Becky Thompson, Washington Student Achievement Counsel; Alex Rogers, Tacoma Community College; Sandy Kaiser, The Evergreen State College; and Arlen Harris, Washington State Board of Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Postsecondary Education & Workforce. Signed by 23 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chambers, Assistant Ranking Minority Member; Connors, Assistant Ranking Minority Member; Berg, Callan, Chopp, Davis, Fitzgibbon, Harris, Lekanoff, Pollet, Riccelli, Ryu, Senn, Simmons, Slatter, Springer, Stonier, Tharinger and Wilcox.

Minority Report: Do not pass. Signed by 6 members: Representatives Corry, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Rude, Sandlin, Schmick and Stokesbary.

Staff: Kate Henry (786-7349).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Postsecondary Education & Workforce:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Tuition and fees fall short of meeting the fiscal requirements to manage a corrections education program. Incarcerated individuals can now access Pell Grants. Colleges need to incorporate financial aid advising and academic advising positions to

ensure students are receiving robust programmatic experiences. Students would gain an understanding of their personal financial aid usage, allowing them to make informed decisions about their educational future.

(Opposed) None.

Persons Testifying: Hanan Al-Zubaidy, State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.