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Washington State's Student Financial Aid Programs

EXECUTIVE SUMMARY

The 1997 Washington State Legislature, in ESSB 6062, directed the House and Senate committees to study financial aid and tuition for higher education in the state. The Legislature contracted with the Washington State Institute for Public Policy to analyze use patterns and distribution of financial aid. Three state and federal data bases were merged for this analysis.

The key findings are summarized below.

Who received financial aid in 1995-96?

- Of all undergraduate students enrolled in the fall of 1995, 24 percent received some form of financial aid.
- Of all applicants for financial aid throughout the 1995-96 school year, 52 percent received some financial need-based aid.
- A greater proportion of financial aid is distributed to older undergraduate students. (Those 24 years and older received 55 percent compared to 45 percent ten years earlier.)
- Almost half of resident undergraduates who received financial aid attended community and technical colleges.
- Financial aid students and their families in community and technical colleges were more likely to be below the federal poverty level (57 percent) and receive AFDC (27 percent) than students in other sectors.

What forms of financial aid were available?

- Total financial aid has doubled over the last ten years. In 1995, \$504 million were awarded to financially-needy students.
- State financial aid support was 8 percent of the total state support for higher education in 1995-96, up from 3 percent ten years ago.
- Federal loans, both subsidized and unsubsidized, have increased from 33 percent in 1985-86 to 50 percent of the total financial aid available to financially-needy resident undergraduate students in 1995-96.
- State grant aid and State Work Study provided 14 percent, or \$72 million, of the total financial aid available to resident undergraduate students.

What major state policy or fiscal changes have occurred over the last ten years?

- The Legislature increased the State Need Grant funding by 98 percent in 1993. In 1995-96, it provided approximately \$54 million a year in grants to 42,000 resident undergraduates.
- Three major policy changes have increased financial aid to community and technical college students: the 1991 implementation of a "Fair Share Model"; a 1993 commitment to serve the lowest income first; and a 1993 decision to allocate awards based on a different calculation of family resources.

Did the type and amount of financial aid vary by family income and type of higher education institution?

- Students (and their families) with incomes below \$15,000 in 1995-96 received 54 percent of all the financial aid available, 79 percent of the state grants, and 73 percent of the federal grants.
- Individual institutional aid awards were greater for students (and their families) with incomes of \$30,000 or more.
- The State Need Grant provides a range of financial assistance from 18 percent of a private four-year school's tuition to 94 percent of a community/technical college's tuition.