



State Need Grant Funding Imperative

Student Aid Alliance Request

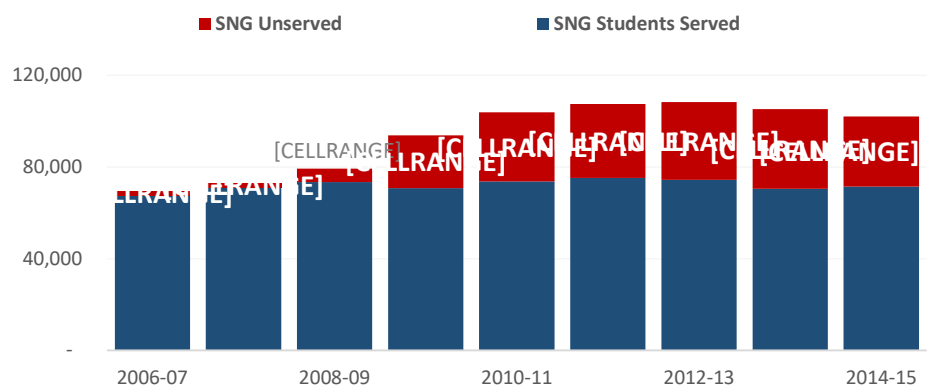
The Student Aid Alliance requests increased funding for the State Need Grant program to serve students who are eligible for the grant but do not receive it because of lack of funding. The Student Aid Alliance is a collaboration of higher education, businesses, and concerned nonprofits, that supports full funding for the State Need Grant program in the 2017 legislative session.

Background

The State Need Grant (SNG) program was established in 1969 to lower financial barriers to a college education for low- and middle-income Washington residents. Currently grants cover approximately 96% of the cost of tuition at public colleges and universities and 25% of the cost of tuition at private colleges. A student is eligible to receive a grant if their family income is below 70% of the state's median family income (\$59,500 for a family of four). The program annually serves about 72,000 students.

The program's broad reach allows students to study at 67 institutions, from private career schools to research universities, opening opportunities for students wherever and however they enter postsecondary education and training – from a traditional student going to college immediately after high school graduation, to a returning adult student who wants to get a credential to boost their earning potential in the labor market.

Unfortunately, since 2007, the program has been increasingly underfunded in the state budget; last year more than 25,000 **enrolled students (or about 30% of eligible students) did not receive a grant** because of underfunding.



The funding gap to serve all eligible students is approximately \$100 million per year.

Why Fund the State Need Grant Program?

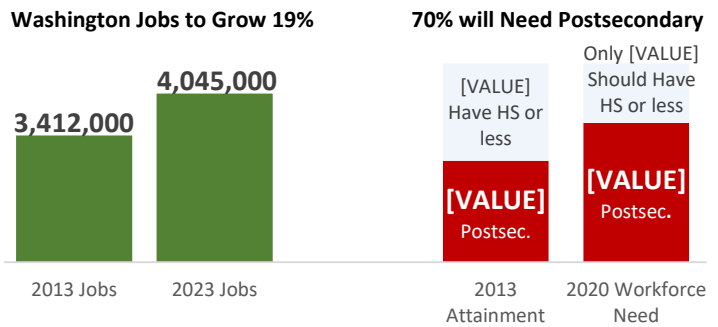
Higher education makes a significant and life altering difference in a student's life. For those students with financial need, receiving a grant is often the difference between attending college, earning their degree, and achieving their dreams or **dropping out of school**. Eligible unserved students:

- Have **higher average debt** loads than their served peers.
- Tend to **take fewer credits**, which slows their progress and reduces the chances of completion.

State Need Grant is also a significant source of financial support for facilitating postsecondary participation among currently underserved students, including first-generation college students, veterans, students of color, and older students.

Fully funding the State Need Grant is vital to Washington's future.

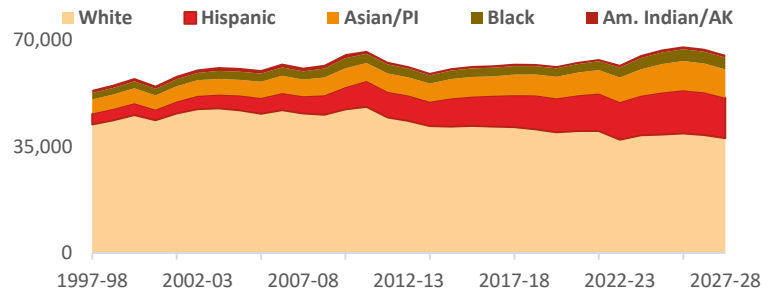
Our growing economy is demanding a more educated workforce. Jobs in Washington are projected to grow to over 4 million in 2023, a 19% increase over ten years. A recent study suggests there will be some 740,000 openings between now and 2021.



At least **70% of jobs in 2020** are projected to require **postsecondary education**; **51% of Washington adults** currently have any postsecondary education and currently, only 31% of Washington High School Students go on to earn a postsecondary credential

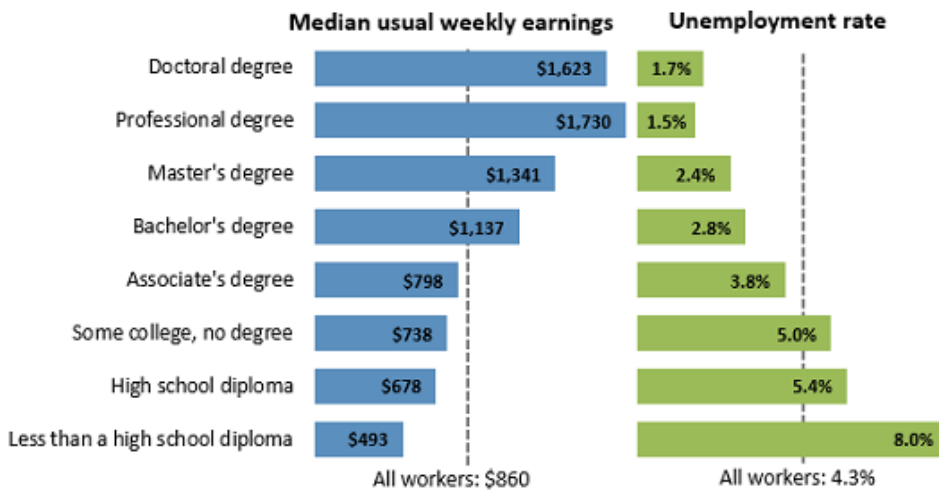
Washington's high school graduates of color are projected to nearly double by 2028

These students are less likely to pursue, attend, or complete their postsecondary education without additional resources.



Higher education completely changes the trajectory and prosperity of a student's life.

Earnings and unemployment rates by educational attainment, 2015



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers. Source: U.S. Bureau of Labor Statistics, Current Population Survey

The combination of **greater workforce need** and **increase in populations underrepresented in higher education** makes full funding for the State Need Grant Program an absolute requirement. It is **right for our economy, and for social justice!**