

SENATE BILL REPORT

SB 5310

As Reported By Senate Committee On:
Labor & Workforce Development, February 4, 1999

Title: An act relating to a conditional scholarship for vocational-technical education.

Brief Description: Creating a conditional scholarship for vocational-technical education.

Sponsors: Senators Fairley, Kohl-Welles, Shin and Rasmussen.

Brief History:

Committee Activity: Labor & Workforce Development: 2/1/99, 2/4/99 [DPA-HIE].
Higher Education: 2/12/99.

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass as amended and be referred to Committee on Higher Education.
Signed by Senators Fairley, Chair; Franklin, Vice Chair; Hochstatter, Kline, Oke and
Wojahn.

Staff: Jack Brummel (786-7428)

SENATE COMMITTEE ON HIGHER EDUCATION

Staff: Jean Six (786-7423)

Background: According to the state's Comprehensive Plan for Workforce Training and Education, there will be 38,000 job openings per year over the next five years for positions requiring two or three years of postsecondary training. The state's community colleges, technical colleges, private career schools, and apprenticeship programs produce only 19,340 such graduates each year.

Summary of Amended Bill: To assist in the closing of the gap between the demands of the workplace and the supply of qualified graduates, the Bright Futures Conditional Scholarship is created. Recipients of the scholarship are enrolled in an eligible vocational-technical certificate or degree program identified by the Workforce Training and Education Coordinating Board (WTECB).

Eligible program graduates will be employable in an industry experiencing a significant gap between the supply of skilled workers and the demand for such workers. When determining eligible programs, the WTECB also considers the wage level likely to be earned by the program graduates and the programs' placement rates. The industry that benefits from the skills of the graduates must provide a match of at least 25 percent of the money awarded as scholarships in the eligible program.

The conditional scholarships, administered by the Higher Education Coordinating Board (HECB), are forgiven based on the number of years the graduate is employed in the occupation or industrial sector for which the training was received. For each two years of eligible employment, one year of the scholarship is forgiven. An account is established in the office of the State Treasurer.

The WTECB must solicit funds for and promote the scholarship program. It also determines which certificate or degree programs qualify as eligible programs for scholarship recipients.

Thirty percent of the scholarships are reserved for current or recent recipients of Temporary Assistance for Needy Families (TANF). The Department of Social and Health Services is to work with the WTECB to encourage TANF recipients to apply for the scholarships and to make sure they have no rules or regulations restricting participation.

Amended Bill Compared to Original Bill: The amended bill specifies the duties of the Workforce Training and Education Coordinating Board or its successor agency.

Appropriation: \$3,000,000 for FY 200 and \$7,750,00 for FY 2001 to the Higher Education Coordinating Board. \$120,000 for FY 2000 and \$60,000 for FY 2001 to the Workforce Training and Education Coordinating Board.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The State Board for Community and Technical Colleges currently administers a training program for TANF recipients.

Testimony Against: None.

Testified: Rhonda Coats, State Board for Community and Technical Colleges.