

SENATE BILL REPORT

SB 6638

As of January 27, 2000

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

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

Sponsors: Senators B. Sheldon, Prentice, Shin, Franklin, Sheahan, Bauer, Eide, Patterson, Heavey, Hale, Rasmussen and Oke; by request of Lieutenant Governor.

Brief History:

Committee Activity: Higher Education: 2/2/2000.

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.

It is believed by some that there is a need for a state-level process to match state capacity in postsecondary vocational education to labor market demand. Also, a belief by some is that the primary cultural message sent to young students and their parents is that a four-year baccalaureate degree is the only avenue to financial success and well-being.

Other states have developed programs to draw students to the opportunities available with postsecondary vocational-technical degrees or certificates. Michigan has begun a \$20 million investment in scholarships for 10,000 students who enroll in high-demand technical training associate degree or certificate programs. Florida and Idaho also provide financial assistance to students who pursue vocational-technical degrees.

Summary of Bill: A conditional scholarship is created for students who attend community colleges, technical colleges, and private career schools for training for employment in high-demand industries.

The Workforce Training and Education Coordinating Board (WTECB) in consultation with the Higher Education Coordinating Board (HECB) publicizes and promotes the program. Jointly with the SBCTC, the WTECB determines what constitutes an eligible program. The WTECB solicits grants and donations from public and private sources, as well as determines what constitutes qualified employment.

An eligible program provides a contribution that exceeds or equals 50 percent of the scholarships awarded to the enrolled individuals. The amount of the scholarship must not

exceed an amount that is double the common tuition and fees charged at Washington State public community colleges and technical colleges per academic year.

The conditional scholarships, administered by the 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. If the recipient does not meet the work service commitment, the loan requires repayment over five years with interest.

An account is created in the office of the State Treasurer.

Appropriation: None.

Fiscal Note: Requested on January 21, 2000.

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