

Higher Education Committee

ESSB 5336

Brief Description: *Creating the public interest attorney loan repayment program.*

Sponsors: *By Senate Committee on Higher Education (originally sponsored by Senators Kohl-Welles, Horn, Shin, McAuliffe, B. Sheldon, Constantine and Kline).*

Brief Summary of Engrossed Substitute Bill

- *Establishes a loan repayment endowment program for attorneys who provide legal services in public interest areas of the law.*

Hearing Date:

Staff: *Marsha Reilly (786-7135).*

Background:

Personal finances are often a factor when a law student is deciding what type of law to practice and where to work. Because of heavy debt load following law school, some attorneys choose not to practice "public interest" law because salaries are significantly less than other areas of law. As a result, there are often attorney shortages in areas of law that represent the public interest.

The Washington Legislature has created assistance programs to encourage students to enter teaching and health care professions. These programs offer incentives to individuals who serve in shortage areas in the state of Washington - such as rural areas in need of health professionals and areas in need of quality teachers.

In the 1999-01 budget, the Legislature gave the University of Washington the authority to use 5 percent of tuition revenue collected from law students, in conjunction with a dollar-for-dollar match from private sources, to provide public interest law scholarships.

Summary of Bill:

The public interest attorney loan repayment program is established for licensed attorneys who practice or agree to practice in public interest areas of the law in the state of Washington. The program is administered by the Higher Education Coordinating Board (HECB). The HECB will establish an advisory committee of representatives from the Washington State Bar Association, the justice board, and from representatives and law students from each of the law schools located in the state of Washington. The advisory committee will advise the HECB in adopting rules and developing guidelines to administer the program.

Applicants for the program are selected by the advisory committee based on the following criteria:

- a demonstrated commitment on the part of the applicant to practice in public interest areas of the law;*
- the financial need of the applicant;*
- the demand for the type of public interest work the applicant seeks to perform;*
- a declared interest by the applicant to practice in rural areas of the state of Washington where the need for public interest attorneys is high;*
- the scholastic achievements of the applicant; and*
- any other criteria the committee deems relevant to the selection process.*

Participants in the program must be licensed attorneys who have passed the Washington State Bar exam, been admitted to practice in the state of Washington, and are residents of Washington state.

Loan repayments shall not exceed \$15,000 per year for a maximum of five years per individual. Participants are required to practice one year in a public interest area of law for each year of loan repayment received. Repayments are limited to eligible educational and living expenses as determined by the HECB, including principal and interest.

Payments against loans shall cease on the date that the participant discontinues service. Participants who serve less than the required service obligation (one year of loan repayment for one year of service) shall be obligated to repay to the program double the amount paid by the program on their behalf.

Appropriation: *None.*

Fiscal Note: *Available on the Senate bill. A fiscal note has been requested on the engrossed substitute Senate bill.*

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