

# FINAL BILL REPORT

## SHB 2708

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C 58 L 04

Synopsis as Enacted

**Brief Description:** Creating conditional scholarships for prospective teachers.

**Sponsors:** By House Committee on Higher Education (originally sponsored by Representatives Ormsby, Kenney, Cox, Fromhold, Moeller, Dickerson, Chase, Lantz, Morrell, Wood, Hudgins and Kagi).

**House Committee on Higher Education**  
**House Committee on Appropriations**  
**Senate Committee on Higher Education**

**Background:**

*Conditional Scholarships:* The first conditional teachers scholarship program was enacted in 1987. Individuals could receive the scholarship for up to five years in the form of a loan. Repayment on the loan was forgiven at a rate of one year of repayment for every two years the recipient taught in a K-12 public school in Washington. The Higher Education Coordinating Board (HECB) administered the program. The Legislature provided \$300,000 per year for the program until 1994. The program is still in statute but is inactive due to lack of funding.

In recent years concern about a possible teacher shortage has reignited interest in incentives to encourage individuals to enter the teaching profession. Starting with the 2000 supplemental budget, the Legislature has provided conditional scholarships for classified K-12 employees to become teachers. For 2001-03 the Legislature also provided conditional scholarships to classified K-12 employees enrolled in certain alternative teacher certification programs. Statutory language or budget provisos creating these scholarships each used slightly different terms and conditions.

*Shortage Areas:* In a survey conducted in 2002 by the Office of the Superintendent of Public Instruction (OSPI), school districts reported shortages of teachers in special education, math, sciences, English as a second language, bilingual education, and several other subjects.

**Summary:**

The laws pertaining to a future teachers conditional scholarship administered by the HECB are amended to include a priority for participants seeking certification or additional endorsement in math, science, technology, or special education. Selection criteria also emphasize bilingual ability and willingness to commit to providing teaching service in shortage areas. Shortage area means a shortage of teachers in a specific subject, discipline, or geographic area as defined by the OSPI. A specific list of approved education programs is replaced with general language permitting participants to teach in any K-12 school in Washington or other K-12 educational sites designated by the HECB. In addition to convening a separate selection

committee, the HECB may use selection processes for similar students in cooperation with the Professional Educator Standards Board or OSPI.

Rather than being set at \$3,000, the scholarship is the amount of tuition and fees paid by the participant, with a maximum equal to resident undergraduate tuition and fees at the University of Washington. If a participant teaches in a shortage area, one year of conditional scholarship is forgiven for every year of teaching. Recipients who fail to meet the teaching service obligation must repay not only the scholarship plus interest, but also an equalization fee that makes the debt owed by the student similar to the federal Stafford Student Loan program. Specific language pertaining to interest penalty rates, repayment periods, and deferments is removed from statute, and the HECB is authorized to adopt rules on these topics.

A conditional loan repayment program is created. The HECB may agree to repay federal student loans that a student has incurred in exchange for teaching service. Each year, the participant must provide evidence of teaching service in order to receive a loan repayment. The HECB may pay the participant directly or arrange to pay the holder of the student loan. The selection criteria, repayment limits, and ratio of loan repayment to required teaching service are the same as they are for the conditional scholarship program.

A future teachers conditional scholarship account is created in the custody of the State Treasurer, to be used for any new funds appropriated for the program and repayments from previous conditional scholarship programs. An appropriation is not required for expenditures from the account, and interest earned stays with the account.

**Votes on Final Passage:**

House	94	1	
Senate	46	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 10, 2004