
HOUSE BILL 1455

State of Washington

66th Legislature

2019 Regular Session

By Representatives Dent, Slatter, Dye, Chapman, Ybarra, Hoff, Sells, Eslick, Lovick, and Jenkin

Read first time 01/22/19. Referred to Committee on College & Workforce Development.

1 AN ACT Relating to workforce development to address the shortage
2 of workers in the aeronautics industry by increasing the training and
3 employment of commercial pilots, airline transport pilots, avionics
4 technicians, aircraft maintenance technicians, and certified flight
5 instructors in Washington; adding new sections to chapter 47.68 RCW;
6 and creating a new section.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** The legislature recognizes that the
9 aeronautics industry is vital to Washington's economy and way of
10 life. The legislature also recognizes that for Washington's
11 aeronautics industry to continue to thrive and remain vibrant, both
12 the public sector and the private sector must commit to investing in
13 students entering the aeronautics industry.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.68
15 RCW to read as follows:

16 (1)(a) Subject to availability of amounts appropriated for this
17 specific purpose, the commercial aeronautics loan and loan
18 forgiveness program is created.

1 (b) The program must be designed in consultation with the student
2 achievement council, representatives of aeronautics employers, and
3 representatives from aeronautics training and education programs.

4 (c) Loan disbursements and loan forgiveness under the program are
5 limited to Washington state resident students pursuing careers as
6 commercial pilots, airline transport pilots, avionics technicians,
7 aircraft maintenance technicians, and certified flight instructors,
8 enrolled in aviation training and education programs in the state.
9 Loans disbursed may only be used for eligible expenses.

10 (d) The source of funds for the program must be a combination of
11 private donations, grants, and contributions and state funds.

12 (e) Before any loan disbursement is made or any loan forgiveness
13 is granted to any student, an investment from the private sector, by
14 way of private cash donations and contributions, must be made that
15 equals at least twenty percent of the amount the state has
16 appropriated specifically for this purpose each fiscal year.

17 (2) The secretary shall administer the program and has the powers
18 and duties to:

19 (a) Design and implement a low-interest commercial aeronautics
20 student loan program with the following elements:

21 (i) A low-interest rate, comparable to or more favorable than the
22 federal direct loan program, that begins once the participant leaves
23 or finishes his or her aeronautics training and education program;
24 and

25 (ii) An annual loan limit not to exceed the participant's
26 estimated cost of attendance in an eligible program, as determined by
27 his or her program and a total loan limit not to exceed seventy-five
28 thousand dollars maximum;

29 (b) Establish eligibility criteria for applicants to qualify for
30 a loan. At a minimum, an applicant must:

31 (i) Be accepted into an eligible program; and

32 (ii)(A) For students pursuing a pilot career path, demonstrate
33 the ability to succeed by having successfully completed initial
34 training and a solo flight and provide a letter of recommendation
35 from a certified flight instructor of an established flight school in
36 Washington state; or

37 (B) For students pursuing an avionics technician or aircraft
38 maintenance technician career path, demonstrate the ability to
39 succeed by having successfully completed one academic quarter or
40 semester of initial training at a Washington state aviation

1 maintenance school certified under 14 C.F.R. Sec. 147 et. seq. and
2 provide a letter of recommendation from an aviation maintenance
3 instructor of that aviation maintenance school;

4 (c) Determine which aeronautics training and education programs
5 are eligible programs. Eligible programs must include programs in the
6 state that offer training and certification and degrees to become a
7 commercial pilot, airline transport pilot, avionics technician,
8 aircraft maintenance technician, or certified flight instructor;

9 (d) Establish a selection and notification process for awarding
10 loans;

11 (e) Define the terms of repayment, including applicable interest
12 rates, fees, and deferments;

13 (f) Collect and manage repayments on loans;

14 (g) Establish a loan forgiveness program that provides for part
15 of a student's total loan amount to be forgiven if certain criteria
16 are met. The loan forgiveness program must provide that twenty
17 percent of the student's total loan amount is forgiven for the first
18 full year the student is: (i) Employed full-time as a certified
19 flight instructor in an eligible program; or (ii) employed as a full-
20 time commercial pilot or airline transport pilot with an eligible
21 employer; or (iii) employed full-time as an avionics technician or
22 aircraft maintenance technician with an eligible employer. After the
23 first year, for each full year the student continues to be employed
24 full-time with the eligible program or eligible employer, an
25 additional ten percent of the original total loan amount is forgiven,
26 up to a maximum of sixty percent of the total loan amount. The loans
27 that may be forgiven are loans the student received under the program
28 created by this section;

29 (h) Establish criteria for determining which employers are
30 eligible employers for purposes of the loan forgiveness program. The
31 criteria must, at a minimum, require that the employer be located in
32 Washington and have been engaged with or have demonstrated support
33 for the commercial aeronautics loan and loan forgiveness program;

34 (i) Solicit and accept grants and donations from public and
35 private sources for the commercial aeronautics loan and loan
36 forgiveness program;

37 (j) Exercise discretion to revise repayment obligations in
38 certain cases, such as economic hardship or disability;

39 (k) Publicize the commercial aeronautics loan and loan
40 forgiveness program;

1 (l) If appropriate, contract with a third-party entity or
2 organization to implement the commercial aeronautics loan and loan
3 forgiveness program; and

4 (m) Adopt rules necessary to implement the commercial aeronautics
5 loan and loan forgiveness program.

6 (3) For the purposes of this section:

7 (a) "Eligible expenses" means reasonable expenses associated with
8 the cost of acquiring an education, such as tuition, books,
9 equipment, fees, room and board, and other expenses as determined by
10 the program administrator.

11 (b) "Eligible programs" means programs in the state that offer
12 training, certification, and degrees to become commercial pilots,
13 airline transport pilots, avionics technicians, aircraft maintenance
14 technicians, and certified flight instructors.

15 (c) "Eligible student" means a resident student who received his
16 or her high school diploma or high school equivalency certificate and
17 who has been accepted into an eligible program.

18 (d) "Resident student" has the same meaning as in RCW 28B.15.012.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.68
20 RCW to read as follows:

21 (1) The commercial aeronautics transfer account is created in the
22 custody of the state treasurer as a nonappropriated account to be
23 used solely and exclusively for the commercial aeronautics loan and
24 loan forgiveness program created in section 2 of this act.

25 (2) The secretary shall deposit into the account all moneys
26 received for the commercial aeronautics loan and loan forgiveness
27 program. The account shall consist of moneys received for the program
28 by the secretary and receipts from participants' repayments,
29 including principal and interest.

30 (3) No expenditures from the commercial aeronautics transfer
31 account may be made except upon receipt of proof, from the commercial
32 aeronautics loan and loan forgiveness program administrator to the
33 secretary, of private donations and contributions to the commercial
34 aeronautics loan and loan forgiveness program that meet the
35 requirements of section 2 of this act.

36 (4) Only the secretary of the department or the secretary's
37 designee may authorize expenditures from the commercial aeronautics
38 transfer account. Such authorization must be made as soon as

1 practicable following receipt of proof as required under this
2 section.

3 (5) Once moneys are deposited in the commercial aeronautics
4 transfer account, the state acts in a fiduciary rather than ownership
5 capacity with regard to those assets. Assets in the commercial
6 aeronautics transfer account are not considered state money, common
7 cash, or revenue to the state.

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