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## Postsecondary Education & Workforce Committee

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### HB 2025

**Brief Description:** Modifying placement and salary matching requirements for the state work-study program.

**Sponsors:** Representatives Reed, Paul and Pollet.

#### Brief Summary of Bill

- Allows State Work-Study (SWS) community service placements and public and nonprofit employers that seek to increase postsecondary enrollment for high school students to receive more than 80 percent reimbursement of student wages.
- Grants the Office of Student Financial Assistance (Office) broader authority to implement SWS.

**Hearing Date:** 1/17/24

**Staff:** Saranda Ross (786-7068).

#### Background:

The Office of Student Financial Assistance (Office) operates within the Washington Student Achievement Council (WSAC). The Office administers state and federal financial aid and other education service programs, including State Work-Study (SWS). SWS helps low- and middle-income students earn money for college while gaining work experience, often in jobs related to their academic and career goals. Awards are based on the availability of funds and the student's determined financial need.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

SWS reimburses employers a percent of the gross wages the employer pays the student employee. The employer must pay 100 percent of gross student wages and benefits prior to reimbursement. The reimbursement rate is based on the type of employer:

<b>Employer Type</b>	<b>Reimbursement Rate</b>
<ul style="list-style-type: none"> <li>• for-profit</li> </ul>	40 percent
<ul style="list-style-type: none"> <li>• public institutions</li> <li>• private institutions</li> <li>• governmental agencies - city, county, state, and federal</li> </ul>	60 percent
<ul style="list-style-type: none"> <li>• nonprofit community service providers</li> <li>• school districts</li> <li>• STEM - businesses whose primary business activity is in the fields of science, technology, engineering, and/or mathematics</li> </ul>	70 percent

Reimbursement may not exceed 80 percent unless the placement is an off-campus community service provider. The WSAC may enter into, but not create, agreements with employers and eligible institutions.

**Summary of Bill:**

Community service placements and public and nonprofit employers that seek to increase postsecondary enrollment for high school students may receive more than 80 percent reimbursement of work-study student wages. The Office must approve placements at, and may determine salary matching requirements for, community service placements and placements at public and nonpublic employers that seek to increase postsecondary enrollment for high school students. The Office may create SWS agreements with employers and eligible institutions.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.