Higher Education Committee

HB 2024

- **Brief Description:** Regarding the University of Washington School of Law Repayment Assistance Program.
- **Sponsors:** Representatives Darneille, Jarrett, Goodman, Eddy, Pedersen, Hudgins, Williams, Lantz, Kessler, Appleton, Clibborn, Hasegawa, Upthegrove, O'Brien, McDermott and Ormsby.

Brief Summary of Bill

• Provides for an appropriation of funds to the Loan Repayment Assistance Program at the University of Washington School of Law, and attaches requirements to such appropriation of funds.

Hearing Date: 2/12/07

Staff: Andrew Colvin (786-7304).

Background:

Personal finances are a factor when a law student is deciding what type of law to practice and where to work. According to the University of Washington School of Law, 178 students graduated with a Juris Doctor degree in the 2005-06 academic year. Of those graduates, 131 took at least one law school loan. The average law school loan debt-load for those students upon graduation was \$59,000.

This type of debt load prevents some attorneys from accepting offers for public interest law jobs because the salaries in these fields frequently are substantially less than in other areas of the law. As a result, there may be attorney shortages and high turnover rates in areas of the law representing the public interest.

To encourage students to enter the teaching and health care professions, the Legislature has created conditional loan scholarship programs in various areas. These programs offer incentives to individuals who serve in shortage areas in Washington State, such as rural areas in need of health professionals and areas in need of teachers with specific endorsements.

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

The Public Interest Law Association (PILA) is a Washington State nonprofit operated entirely by University of Washington School of Law students. According to the PILA, it's purpose is to promote legal work that serves the public, alleviates suffering, and improves the quality of life for individuals in our community and elsewhere. To that end, the PILA works to raise awareness about the need for pro-bono and full-time public interest legal work.

In January 2006 the University of Washington and the PILA entered into an agreement to establish the Loan Repayment Assistance Program Endowment Fund at the School of Law. The purpose of the fund is to provide student loan repayment assistance to students and/or former students with demonstrated educational debt and financial need. According to the PILA, the fund presently has a balance of approximately \$75,000, which allows for \$3,750 to be given annually to eligible students.

Summary of Bill:

Provides for an appropriation of funds from the state general fund to the Loan Repayment Assistance Program Endowment Fund (Endowment Fund) at the University of Washington School of Law. Also, the law school is required to report to the Legislature by December 1, 2008, and every two years thereafter, concerning the status of the Endowment Fund and the Loan Repayment Assistance Program. Finally, in the rules for administering the program, the law school is required to make provisions for cases of hardship or exceptional circumstances.

Appropriation: None.

Fiscal Note: Requested on February 12, 2007.

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