

SENATE BILL REPORT

ESSB 5555

As Passed Senate, February 20, 2009

Title: An act relating to lifelong learning accounts.

Brief Description: Regarding lifelong learning accounts.

Sponsors: Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Kilmer, Shin, King, Marr, Jarrett, McAuliffe, Hobbs, Tom and Kohl-Welles).

Brief History:

Committee Activity: Higher Education & Workforce Development: 2/03/09, 2/04/09 [DPS].

Passed Senate: 2/20/09, 46-1.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5555 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kilmer, Chair; Jarrett, Vice Chair; Becker, Ranking Minority Member; Hewitt, Jacobsen, Kastama, McAuliffe, Pflug, Shin and Stevens.

Staff: Aldo Melchiori (786-7439)

Background: Lifelong learning accounts (LiLas) are portable employee-owned savings accounts for working adults seeking education and training to improve their work opportunities. Employees make regular contributions to the account (minimum \$20 per month in Washington) that are matched by their employer. Accounts stay with the individual regardless of the person's current employer or employment status. Education and training activities do not have to relate to the employee's current job or next functional position.

The concept and model for LiLas was developed by the Council for Adult and Experiential Learning (CAEL). With the help of a grant awarded by CAEL, the Workforce Training and Education Coordinating Board (WTECB) formed a state LiLa Steering Committee with broad representation from interested higher education, business, community, and labor groups. The grant was also used to create a small pilot project in Thurston, Lewis, Mason,

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Grays Harbor, and Pacific counties. There is no formal recognition of the Steering Committee or the WTECB's authority to form it in statute.

Summary of Engrossed Substitute Bill: A state LiLa Steering Committee is established by the WTECB. The Steering Committee includes broad representation from interested higher education, business, community, and labor groups. The steering committee must: (a) develop a policy framework to establish a statewide LiLa program; (b) identify technical and budget issues along with recommendations on how to resolve them; (c) study methods for continuing outreach to workers, employers, and foundations willing to participate in and fund LiLas; (d) explore career advising options including online tools; and (e) design a performance accountability system. The Steering Committee reports to the Legislature by September 1, 2010, and every two years thereafter, regarding the numbers and characteristics of participating workers and employers, the status of outreach efforts, and other appropriate performance outcome measures.

The WTECB may solicit, accept, receive, and administer federal funds or private funds, and contract with foundations or with for-profit or nonprofit organizations to support the establishment of the state LiLa program.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: Lifelong learning accounts allow employees and employers to adapt to their future employment and training needs. Washington would be the first state to make this a formal program. We need to do more for people already in the workforce. This will improve economic development by supporting workforce training.

Persons Testifying: PRO: Senator Kilmer, prime sponsor; Eleni Papadakis, WTECB; Steve Lindstrom, Federation of Career Colleges; Don Bennett, HECB; Molly Boyajian, League of Women Voters.