

COMMITTEE ON HIGHER EDUCATION

*Rep. Don Carlson, Republican Co-Chair; and
Rep. Phyllis Kenney, Democratic Co-Chair*

BILL ANALYSIS 2SSB 5953

Brief Description: Creating the public interest attorney loan repayment and conditional scholarship program.

Background: Personal finances are often a factor when a law student is deciding what type of law to practice and where to work. Because of heavy debt load following law school, some attorneys choose not to practice public interest– law because salaries are significantly less than other areas of law. As a result, there are often attorney shortages in areas of law that represent the public interest.

In the 1999-01 budget, the Legislature gave the University of Washington the authority to use five percent of tuition revenue collected from law students, in conjunction with a dollar-for-dollar match from private sources, to provide public interest law scholarships.

Summary: The public interest attorney loan repayment and conditional scholarship program is created.

Eligibility

Practicing attorneys and law students who meet specific conditions are eligible. Attorneys and law students must be residents of Washington who can provide proof of residency including, but not limited to the following: continuous domicile for at least one year in the state; enrollment in an eligible law program as a resident for the purposes of tuition; full-time enrollment in an eligible law program located in the state; graduation from a baccalaureate institution located in the state before admission to law school; registration or payment of Washington taxes on a motor vehicle, motor home, trailer, boat or other personal property; permanent full-time employment in the state; or registration to vote in the state. Attorneys must also be licensed in the state and practice in the field of public interest law. Law students must have been accepted into an eligible law program and declared their intention to practice public interest law to be eligible.

Award

Program participants may receive up to \$15,000 per year for a maximum of five years. Qualified licensed attorneys receive funds for loan repayments while law students receive tuition scholarships.

Repayment Obligations

Participants must practice in a public interest area of the law for one year for each year of loan repayment or scholarship received. Any participant receiving funds for loan repayment

who does not fulfill his or her obligation must repay twice the amount paid by the program on his or her behalf. Any participant receiving scholarship funds who does not fulfill his or her obligation must repay twice the unsatisfied portion, plus interest.

Program Administration

The Higher Education Coordinating Board (HECB) administers the program, with the guidance of two committees: the review committee and the selection committee. The review committee advises the HECB on adopting rules and guidelines for program administration, collecting repayments from participants who do not meet their service obligations, and developing criteria for a contract for service in lieu of service obligation. It also publicizes the program and solicits grants and donations for the program. The selection committee selects participants based on commitment to practice public interest law, financial need, demand for the type of public interest work the applicant seeks to perform, and scholastic achievement. The selection committee also consults with the HECB to determine what constitutes public interest law. Representatives on both committees may include one representative from the Washington state bar association, one representative from the access to justice board, and up to two representatives from each law school located in Washington. The review committee must include at least one law student representative.

Funding

An account is created in the custody of the state treasurer. The account is maintained by the state investment board. One half of all appropriations received must be set aside until the account is self-sustaining. The account may consist of funds appropriated by the Legislature, private contributions, and receipts from participant repayments. Any state appropriations would cease once the account becomes self-sustaining.

Appropriation: None.

Fiscal Note: Requested on February 17, 2000.

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

*Prepared for the House Higher Education Committee
by Erika Prager, Research Analyst (786-7120)
Office of Program Research
February 23, 2000*