

HOUSE BILL REPORT

HB 2835

As Reported By House Committee On:
Higher Education

Title: An act relating to the future teachers conditional scholarship.

Brief Description: Changing the future teachers conditional scholarship program.

Sponsors: Representatives Kenney, Carlson, Keiser, Cox and Veloria; by request of Governor Locke and Superintendent of Public Instruction.

Brief History:

Committee Activity:

Higher Education: 2/1/00, 2/2/00 [DP].

Brief Summary of Bill

- Increases annual award amount from \$3,000 to \$4,000 per student.
- Allows recipients, who teach in an area of the state identified as having a teacher shortage, to have one year of the loan canceled for each year they teach in such an area.
- Adds an equalization charge to the scholarship balance and clarifies how interest rates and monthly payments are determined.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 8 members: Representatives Carlson, Republican Co-Chair; Kenney, Democratic Co-Chair; Lantz, Democratic Vice Chair; Radcliff, Republican Vice Chair; Dunn; Edmonds; Esser and Gombosky.

Staff: Erika Prager (786-7120).

Background:

The future teachers conditional scholarship program was created in 1987. The program was designed to attract individuals into the teaching profession who demonstrated

outstanding academic achievement and who are likely to be good role models for students.

A small number of students who wish to become teachers could receive up to \$3,000 per year for up to five years to attend an accredited public or independent institution of higher education in Washington. Participants incur an obligation to repay the scholarship, with interest, unless they teach in Washington's public schools for two years per year of loan received.

For the past several years, the Legislature has not allocated any new money for the future teachers conditional scholarship. However, a small number of new scholarships are awarded with the dollars returned as a result of students repaying the conditional scholarship. The Governor has recommended in his 2000 supplemental budget proposal that \$885,000 in funding be allocated to provide conditional scholarships to 200 teachers, particularly in the areas of math, science, and special education.

Summary of Bill:

The annual award amount is increased from \$3,000 to \$4,000 per eligible student beginning in the 2000-01 academic year. The Higher Education Coordinating Board (HECB) may adjust the annual award based on the increase in resident tuition at the public four-year research universities.

Recipients who teach in an area of the state identified as having a teacher shortage by the Superintendent of Public Instruction will have one year of the loan canceled for each year they teach in such an area. Recipients who teach in other areas of the state will have one year of the loan canceled for every two years they teach.

Recipients who do not fulfill their teaching obligation must repay the conditional scholarship, with interest and an equalization charge. This charge is equal to not more than three percent of the remaining unforgiven balance. The interest rate on new loans is determined annually by the HECB and should parallel current rates for undergraduate students under the primary federal loan program. The minimum monthly payment is determined by the HECB, but is not less than \$50 per month. An account for the future teachers conditional scholarship is created in the custody of the state treasurer.

Appropriation: None.

Fiscal Note: Requested on January 24, 2000.

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

Testimony For: The teachers conditional scholarship is part of the governor's comprehensive teacher quality package on teaching and retention of teachers. The bill is a recruitment strategy for the teaching profession. It also provides an incentive for teachers to remain in the profession for the first few years, which is critical. Teacher retention is a national issue, as many are leaving the profession within the first few years, or leave and come back after starting a family. It allows for flexibility in filling teaching positions in areas of the state with a teacher shortage. Currently, there is shortage in the areas of math, science, and special education. University tuition has also increased over the past 10 years since this program was created.

Testimony Against: None.

Testified: Carolyn Busch, Office of the Governor; Sarah Corrie, Office of Superintendent of Public Instruction; and Tom Parker, Washington Association of Independent Colleges and Universities.