

COMMITTEE ON HIGHER EDUCATION

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

BILL ANALYSIS

HB 2835

Brief Description: Changing the future teachers conditional scholarship program.

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: 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 an area of the state not identified as having a teacher shortage 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.

The HECB is also responsible for publicizing the program, including special efforts to recruit under represented populations to apply.

Appropriation: None.

Fiscal Note: Requested on January 24, 2000.

Effective Date: Ninety days after adjournment of the session the bill was passed.

*Prepared for the House Higher Education Committee
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