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## Higher Education Committee

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### HB 1830

**Brief Description:** Creating the cybersecurity conditional loan program.

**Sponsors:** Representatives Hudgins, Manweller and Haler.

#### Brief Summary of Bill

- Establishes the Cybersecurity Conditional Loan Program, in which an eligible student may receive a conditional loan to complete a certificate or degree program in the cybersecurity field with the condition that the loan may be forgiven if the student works full-time at a public entity with cybersecurity needs following graduation.
- Requires the Student Achievement Council to administer the program, determine the terms of the conditional loans, and keep and maintain records related to repayment.

**Hearing Date:** 2/8/17

**Staff:** Megan Mulvihill (786-7304).

#### **Background:**

##### Cybersecurity.

Cybersecurity is about securing electronic data against criminal or unauthorized use by protecting computers, networks, and programs. Cybersecurity certificates and degrees include things like computer networking, cybersecurity technology, cybersecurity management and policy, or software development and security. Many government agencies have cybersecurity needs to protect their large databases of information that often hold sensitive or personally identifiable information.

##### Conditional Scholarship Programs.

Conditional scholarships, or loans, are loans that are provided to a student for higher education purposes that may be forgiven in full or in part if the student completes their post secondary education and completes the service requirement of the scholarship or loan. The loans are used as an incentive to get students to work in either high-demand professions or in professions with

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shortages and high need. There are a variety of conditional scholarship programs in statute, although all are not currently funded. These include the Health Professional Conditional Scholarship Program, Future Teachers Conditional Scholarship Program, National Guard Conditional Scholarship Program, Pipeline for Paraeducators Conditional Scholarship Program, Educator Retooling Conditional Scholarship Program, and the Food Animal Veterinarian Conditional Scholarship Program.

### **Summary of Bill:**

The Cybersecurity Conditional Loan Program (Program) is established. A conditional loan is a loan that is forgiven in whole or in part if the recipient graduates with a certificate or degree in cybersecurity and completes the service requirement. To be eligible for the program, a student needs to be registered for at least 12-quarter credit hours or equivalent, maintain satisfactory academic progress, be a resident student, and declare an intention to complete a certificate or degree program in the cybersecurity field.

The Student Achievement Council (Council) is tasked with administering the Program and has various responsibilities. The Council must establish an application process and a selection committee for selecting recipients. The Council must award conditional loans based on the funding available and the number of applicants. The amount will be the lowest of either:

- tuition and fees at the institution of higher education the student attends; or
- full-time resident undergraduate tuition and fees at the most expensive public institution of higher education.

Participants may receive a conditional loan for a maximum of two years, but the participant needs to maintain satisfactory academic progress to remain eligible.

Participants have an obligation to repay the conditional loan, with interest and an equalization fee, unless they graduate with a major in the cybersecurity field and are employed full time at an eligible place of work following graduation. An eligible place of work means any public entity with cybersecurity needs, including state agencies, cities, towns, counties, port districts, commissions, and school districts. Participants may have one year of loans forgiven for one year of full-time work, or the equivalent one-to-one ratio. The terms of the conditional loan will be set by the Council, but the maximum repayment period will be 10 years, with payments accruing quarterly and beginning six months after the participant graduates or discontinues their course of study. If the participant discontinues full-time work in the cybersecurity field at an eligible place of work, payments on the unsatisfied portion of the conditional loan will begin the next payment period.

The Cybersecurity Conditional Loan Account is created to hold all receipts from repayments and to grant conditional loans.

The Council must report to the Legislature by December 1, 2027, on the Program. The report must include information on how many students applied for the Program, how many received conditional loans, how many participants fulfilled their service obligation, what was the average time spent employed at an eligible place of work, the total dollar amount of conditional loans forgiven, and any other metrics deemed appropriate.

**Appropriation:** None.

**Fiscal Note:** Requested on 01/31/2017.

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