HOUSE BILL REPORT HB 1880

As Reported by House Committee On:

Higher Education Appropriations

Title: An act relating to including Everett Community College as an aerospace training or educational program.

Brief Description: Including Everett Community College as an aerospace training or educational program.

Sponsors: Representatives Springer, Haler, Reykdal, Hargrove, Pollet, Zeiger, Moscoso, Scott, Tarleton and Sells.

Brief History:

Committee Activity:

Higher Education: 2/13/15, 2/18/15 [DP];

Appropriations: 2/27/15 [DP].

Brief Summary of Bill

 Adds Everett Community College to the list of providers of aerospace industry courses for the purposes of defining an aerospace training or educational program.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 13 members: Representatives Hansen, Chair; Pollet, Vice Chair; Zeiger, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Bergquist, Gregory, Hargrove, Holy, Reykdal, Sells, Stambaugh, Tarleton and Van Werven.

Staff: Megan Mulvihill (786-7304).

Background:

The Aerospace Training Student Loan Program.

The Aerospace Training Student Loan Program provides low-interest student loans to students enrolled in an authorized aerospace training or educational program who are making

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satisfactory academic progress and have declared an intention to work in the aerospace industry. The loan amounts are not to exceed tuition and fees, which is \$2,400 per training module, and recipients may receive funding for up to three training modules. The interest rate of the loan is fixed at the federal Stafford Direct Loan program interest rate which for 2014-15 academic year was 4.66 percent. Authorized aerospace training and educational programs include courses offered at the Washington Aerospace Training and Research Center, the Spokane Aerospace Technology Center, and Renton Technical College.

According to the Student Achievement Council's report to the Legislature regarding the program, as of October 15, 2014, 519 people submitted applications for the loan and 326 applicants received the loan. Of those 326 people, 220 are in repayment status. An employment survey was sent out to recipients of the loan and of the 108 respondents, 85 percent are employed, but only 48 percent of those employed are working in the aerospace industry.

Everett Community College offers skills-oriented certificates and Associates in Technical Arts degrees in aerospace and advanced manufacturing. The programs' time commitments range from one-quarter to two years.

Summary of Bill:

Everett Community College is added to the list of providers of aerospace industry courses for the purposes of defining an aerospace training or educational program.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The Aerospace Training Student Loan Program had all the makings of a no brainer, win-win program. There are 1,200 aerospace providers in the state, and the short-term customized training facility was opened to help meet the aerospace providers demand for a skilled workforce. When the Washington Aerospace Training and Research Center was opened it did not qualify for federal student loans, so the industry looked towards the Aerospace Training Student Loan Program to meet this need. The demand for the program was greater than capacity, so additional funding was provided last year. This year the program should be expanded to include Everett Community College. The default rate for the Aerospace Training Student Loan Program is a concern that needs to be studied. However, the success stories for the program are wildly successful, so it is probably a case of starting a new program and figuring out the kinks.

(Opposed) None.

Persons Testifying: Representative Springer, prime sponsor; and Trent House, Aerospace Futures Alliance

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 31 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Chandler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Carlyle, Cody, Condotta, Dent, Dunshee, Fagan, Haler, Hansen, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, MacEwen, Magendanz, Pettigrew, Sawyer, Schmick, Senn, Springer, Stokesbary, Sullivan, Tharinger, Van Werven and Walkinshaw.

Minority Report: Do not pass. Signed by 2 members: Representatives G. Hunt and Taylor.

Staff: Catrina Lucero (786-7192).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Higher Education:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The Legislature established the Aerospace Loan Program in 2011 as a short-term, customizable training program loan. Everett Community College has these types of programs and would like to be able to offer these loans to their students. There is no additional funding needed for this.

(Opposed) None.

Persons Testifying: Trent House, Aerospace Futures Alliance.

Persons Signed In To Testify But Not Testifying: None.