

SENATE BILL REPORT

SB 5958

As of January 17, 2024

Title: An act relating to establishing the Washington career skills grant program.

Brief Description: Establishing the Washington career skills grant program.

Sponsors: Senators Boehnke, Dozier, Torres and Wilson, C..

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/17/24.

Brief Summary of Bill

- Establishes the Washington career skills grant program.
- Defines eligibility to include noncredit-bearing programs that are ineligible for federal or state aid.
- Requires an annual report that includes the types of programs served and pre- and post-credential wage data.
- Includes a sunset clause.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Alicia Kinne-Clawson (786-7407)

Background: Washington College Grant. The Washington College Grant (WCG) is the state's largest financial aid program and provides grants to low-income students to pursue postsecondary education. The WCG is an entitlement program administered by the Washington Student Achievement Council with guaranteed grants for students who qualify.

To qualify, a student must:

- demonstrate financial need;

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- be a state resident;
- be enrolled at a Washington higher education institution in a credit bearing program or be enrolled in an approved, registered apprenticeship program;
- file a financial aid application; and
- not already have a bachelor's degree or higher.

Washington Retail Workforce Report. A 2023 report on the Washington retail workforce found the industry has a turnover rate in excess of 60 percent. Among other things, the report recommends improving career advancement opportunities with stacking of credentials toward academic degrees as one potential solution.

Summary of Bill: The Washington career skills grant program is established for the purpose of incentivizing the creation of short-term and microcredentialing opportunities and programs relevant to the retail sector.

Eligible individuals are those who:

- are a resident student;
- enrolled in a short-term workforce credential in an in-demand industry;
- are enrolled in a noncredit-bearing educational program that is ineligible for federal or state financial aid; and
- have not yet earned a baccalaureate degree.

The Office of Student Financial Assistance is responsible for administering the program. This includes establishing a grant maximum, not to exceed the maximum Washington college grant; and developing a process for collecting the necessary data to evaluate the effectiveness of the program.

Subject to amounts appropriated, the office may award program grant funds to eligible students. The grants may not: exceed the maximum award established by the office, exceed the student's cost of attendance, or extend beyond one year or 125 percent of the published program length.

Beginning October 1, 2025, the office must annually report to the appropriate committees of the Legislature:

- the names of each participating institution of higher education and the eligible credentials;
- the number of students eligible, number of students who participated, and student demographics;
- data on program completion and credential attainment; and
- pre-credential and post-credential completion wage data.

The provisions of the bill are subjected to the sunset review. The authorization is terminated July 1, 2029, and the statutes establishing the career skills grant program are repealed on July 1, 2030.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This allows us to focus on a critical industry that has been impacted a lot. This will allow us to provide more opportunities that will grow critical thinking skills and demonstrate upward mobility. We can showcase and then leverage microcredentialing into pathways for upper management. This is for someone who just needs a little more on their resume for that next promotion. This is part of a broader plan for the retail industry to create more opportunities. The retail sector is the second largest private sector employer in WA. It has nearly 400,000 employees. We need to find a way to provide credentials for upskilling opportunities.

Persons Testifying: PRO: Senator Matt Boehnke, Prime Sponsor; Rose GUNDERSEN, Washington Retail Association.

Persons Signed In To Testify But Not Testifying: No one.