

SENATE BILL REPORT

ESB 6141

As Passed Senate, February 11, 2012

Title: An act relating to a lifelong learning program.

Brief Description: Creating a lifelong learning program.

Sponsors: Senators Kilmer, Tom, Shin, Kastama, Ericksen, Chase and Frockt.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/26/12, 1/30/12 [DP, DNP].

Passed Senate: 2/11/12, 36-11.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: Do pass.

Signed by Senators Kastama, Chair; Chase, Vice Chair; Baumgartner, Ranking Minority Member; Ericksen, Hatfield, Holmquist Newbry, Kilmer and Shin.

Minority Report: Do not pass.

Signed by Senator Zarelli.

Staff: Jack Brummel (786-7428)

Background: Lifelong Learning Accounts (LiLAs) are employee-owned educational savings accounts that help pay for education and training expenses. When a LiLA is set up, regular contributions by employees are matched by the employer. LiLAs can supplement an employer's existing tuition assistance program or serve as an education benefit for employers who are not able to offer a tuition assistance program.

The Council for Adult and Experiential Learning (CAEL), a national nonprofit organization, developed the concept and model for LiLAs as a way to help working adults gain greater access to education and training throughout their work lives. CAEL conducted several regional demonstration pilots and assisted in the establishment of a pilot program in Washington in 2008.

Summary of Engrossed Bill: The Lifelong Learning Program is established at the Workforce Training and Education Coordinating Board (Board) to allow employees to create LiLAs. The program is voluntary for employers and employees. The Board may partner with

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financial institutions and nonprofits to develop operating procedures, ensure adequate marketing, and coordinate career counseling services.

The Board may work with financial institutions to encourage their full engagement in activities, such as management of accounts and the provision of financial literacy training, that make the program successful. The Board may also develop program policies and system options.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: People change jobs a lot and need to upgrade their skills. LiLAs are like 401-Ks. LiLAs are co-invested savings accounts where the worker and the employer co-invest to pay for the worker's educational development. This will help the working poor move to economic self-sufficiency. The Board will make guidance materials available to financial institutions and others interested in implementing LILA programs.

Persons Testifying: PRO: Senator Kilmer, prime sponsor; Eleni Papadakis, Workforce Training and Education Coordinating Board.