

2014 -- S 3136

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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SENATE RESOLUTION

RESPECTFULLY REQUESTING THE RHODE ISLAND HIGHER EDUCATION ASSISTANCE AUTHORITY, IN COOPERATION WITH THE GOVERNOR'S WORKFORCE BOARD, UNDERTAKE A COMPREHENSIVE STUDY REGARDING THE ESTABLISHMENT OF A LIFELONG LEARNING SAVINGS ACCOUNT PROGRAM IN RHODE ISLAND

Introduced By: Senators DaPonte, Gallo, DiPalma, and Ottiano

Date Introduced: June 20, 2014

Referred To: Placed on Senate Calendar

1           WHEREAS, In a highly competitive 21<sup>st</sup> century global economy, education should not  
2 be considered a temporary effort, but a lifelong endeavor that requires continuous retraining,  
3 upgrading, and evolution to keep up with the rapidly changing demands of the workplace; and

4           WHEREAS, Continuous training and education is vitally important in the development of  
5 a skilled Rhode Island workforce and the promotion of a competitive state economy; and

6           WHEREAS, Whether enrolling in college courses, learning a new language, or  
7 participating in training on new equipment and technology, there are a range of opportunities for  
8 Rhode Islanders to upgrade their skill set, increase their employability and earnings capacity, and  
9 increase the competitiveness and productivity of Rhode Island employers; and

10          WHEREAS, The costs of such education and training can be difficult for many Rhode  
11 Islanders to meet; and

12          WHEREAS, Current state and federal incentives and programs to promote educational  
13 attainment have considerable gaps in eligibility, allowable training expenses, and enrollment  
14 criteria that do not adequately reflect a policy of lifelong learning and training; and

15          WHEREAS, The "Rhode to Work" legislative action plan prepared by the Senate Policy  
16 Office found that several states have introduced Lifelong learning savings accounts, also known  
17 as "LiLAs", which are state-administered savings accounts, owned by individual workers and  
18 designed to help save for, and pay for, approved education and training expenses; and

1           WHEREAS, Such accounts are intended to fill the gaps left by other state and federal  
2 savings programs and may include matching funds from employers and/or the state; now  
3 therefore be it

4           RESOLVED, That this Senate of the State of Rhode Island and Providence Plantations  
5 hereby respectfully requests that the Rhode Island Higher Education Assistance Authority, in  
6 cooperation with the Governor's Workforce Board, undertake a comprehensive study regarding  
7 the establishment of a lifelong learning savings account program in Rhode Island; and be it  
8 further

9           RESOLVED, That this Senate hereby respectfully requests that said comprehensive study  
10 include, but not be limited to:

11           1. A review of the appropriate role for the authority in administering such a program;

12           2. A review of the appropriate role of in-state financial institutions and other public  
13 private, and nonprofit organizations in establishing and maintaining such accounts;

14           3. Recommendations as to how such a program might be designed to best meet the  
15 training and skill needs of Rhode Island employers and industry sectors;

16           4. Recommendations as to how such a program might be designed to best meet the  
17 training needs of Rhode Island workers, particularly low-wage workers, including the feasibility  
18 of providing matching state funds, up to a certain amount, to help low-wage workers begin such  
19 accounts;

20           5. Definitions for approved education and training expenses, provided that the definitions  
21 shall be flexible and inclusive of short-term training and career-related training that are not  
22 typically covered by current education tax benefits and savings programs;

23           6. Recommendations regarding the state tax treatment of contributions to, and  
24 withdrawals from, such accounts; and

25           7. Recommendations on how to coordinate lifelong learning accounts with existing  
26 training and workforce development programs in the state; and be it further

27           RESOLVED, That this Senate hereby respectfully requests that the Authority complete  
28 and submit said study to the Governor, the Speaker of the House of Representatives, and the  
29 President of the Senate, on or before July 1, 2015; and be it further

1           RESOLVED, That the Secretary of State be and hereby is authorized and directed to  
2 transmit duly certified copies of this resolution to the Executive Director of the Rhode Island  
3 Higher Education Assistance Authority, and the Chair of the Board of Directors of the Rhode  
4 Island Higher Education Assistance Authority.

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