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**SECOND SUBSTITUTE SENATE BILL 5789**

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**State of Washington 67th Legislature 2022 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Randall, Nobles, Conway, Das, Frockt, Kuderer, Liias, Nguyen, and C. Wilson; by request of Student Achievement Council)

AN ACT Relating to creating the Washington career and college pathways innovation challenge program; amending RCW 28B.120.040; reenacting and amending RCW 43.79A.040; adding a new chapter to Title 28B RCW; and repealing RCW 28B.120.005, 28B.120.010, 28B.120.020, 28B.120.025, 28B.120.030, and 28B.120.900.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  (1) The Washington career and college pathways innovation challenge program is established. The purpose of the program is to meet statewide educational attainment goals established in RCW 28B.77.020 by developing local and regional partnerships that foster innovations to:

(a) Increase postsecondary enrollment, success, and completion for students enrolling directly from high school and adults returning to education;

(b) Eliminate educational opportunity gaps for students of color, English language learners, students with disabilities, opportunity youth, and foster and homeless youth;

(c) Enhance the ability of Washington residents to achieve their own goals in life; and

(d) Increase the skills and talents of Washington's workforce.

(2)(a) The student achievement council shall administer the program and award grants, based on a competitive grant process, to local and regional partnerships that represent cross-sector collaborations among education and higher education agencies and institutions, local education agencies, local government, community-based organizations, employers, and other local entities. The student achievement council must consult, in both the design of the grant program as well as in the administration of the grant program, with stakeholders including representatives of:

(i) The state board for community and technical colleges;

(ii) The council of presidents;

(iii) The workforce training and education coordinating board;

(iv) The commission on African American affairs;

(v) The commission on Hispanic affairs;

(vi) The commission on Asian Pacific American affairs;

(vii) The Washington state LGBTQ commission;

(viii) The governor's office of Indian affairs; and

(ix) The Washington state women's commission.

(b) In awarding the grants, the student achievement council shall consider applications that meet at least one of the following criteria:

(i) Plan and pilot innovative initiatives to raise educational attainment and reach new populations;

(ii) Engage community-based organizations and resources to reach the range of populations living in the region;

(iii) Develop programs that recognize the needs of specific populations to be successful in postsecondary education and training;

(iv) Expand the use of integrated work-based learning models and career connected learning;

(v) Provide financial support to cover expenses beyond educational tuition and fees, and other services and supports for students to enroll and complete education and training;

(vi) Further the development of innovations, such as the use of mastery-based measurements of student achievement as the basis for awarding degrees and certificates, expansion of accelerated programs, and alternative scheduling to meet working adult needs; and

(vii) Include local matching funds.

(c) In administering the program the student achievement council may hire staff to support grant oversight and provide technical assistance to grantees.

(d) The student achievement council shall provide a report each year by September 1st to the governor and the education and higher education committees of the legislature. The report shall:

(i) Describe grants awarded;

(ii) Report the progress of each local and regional partnership by reporting on high school graduation, postsecondary enrollment, and completion for each of the regions that partnerships serve; and

(iii) Disaggregate data by income, race, ethnicity, and other demographic characteristics.

**Sec.**  RCW 28B.120.040 and 2012 c 229 s 575 are each amended to read as follows:

The ((~~student achievement council fund for innovation and quality~~)) Washington career and college pathways innovation challenge program account is hereby established in the custody of the state treasurer. The student achievement council shall deposit in the fund all moneys received ((~~under RCW 28B.120.030~~)) for the Washington career and college pathways innovation challenge program. Moneys in the fund may be spent only for the purposes of ((~~RCW 28B.120.010 and 28B.120.020~~)) awarding grants under the Washington career and college pathways innovation challenge program. Disbursements from the fund shall be on the authorization of the student achievement council. The fund is subject to the allotment procedure provided under chapter 43.88 RCW, but no appropriation is required for disbursements.

NEW SECTION. **Sec.**  The student achievement council may solicit and receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of the program and may expend the same or any income therefrom according to the terms of the gifts, grants, or endowments.

**Sec.**  RCW 43.79A.040 and 2021 c 175 s 10 and 2021 c 108 s 5 are each reenacted and amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

(3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Rosa Franklin legislative internship program scholarship ((~~[account]~~)) account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the Washington career and college pathways innovation challenge program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the county road administration board emergency loan account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family and medical leave insurance account, the fish and wildlife federal lands revolving account, the natural resources federal lands revolving account, the food animal veterinarian conditional scholarship account, the forest health revolving account, the fruit and vegetable inspection account, the educator conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the Washington history day account, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the low-income home rehabilitation revolving loan program account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, the produce railcar pool account, the public use general aviation airport loan revolving account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state library-archives building account, the reduced cigarette ignition propensity account, the center for deaf and hard of hearing youth account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, the school employees' benefits board insurance reserve fund, the public employees' and retirees' insurance account, the school employees' insurance account, the long-term services and supports trust account, the radiation perpetual maintenance fund, the Indian health improvement reinvestment account, the department of licensing tuition recovery trust fund, the student achievement council tuition recovery trust fund, the tuition recovery trust fund, the industrial insurance premium refund account, the mobile home park relocation fund, the natural resources deposit fund, the Washington state health insurance pool account, the federal forest revolving account, and the library operations account.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advance right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. **Sec.**  The following acts or parts of acts are each repealed:

(1)RCW 28B.120.005 (Findings) and 2010 c 245 s 6, 1999 c 169 s 2, & 1991 c 98 s 1;

(2)RCW 28B.120.010 (Washington fund for innovation and quality in higher education program—Incentive grants) and 2012 c 229 s 571, 2010 c 245 s 7, 1999 c 169 s 5, 1996 c 41 s 1, & 1991 c 98 s 2;

(3)RCW 28B.120.020 (Program administration—Powers and duties of student achievement council) and 2012 c 229 s 572, 2011 1st sp.s. c 11 s 235, 2010 c 245 s 8, 1999 c 169 s 3, 1996 c 41 s 2, & 1991 c 98 s 3;

(4)RCW 28B.120.025 (Program administration—Powers and duties of state board for community and technical colleges) and 2012 c 229 s 573 & 1999 c 169 s 4;

(5)RCW 28B.120.030 (Receipt of gifts, grants, and endowments) and 2012 c 229 s 574, 1999 c 169 s 6, & 1991 c 98 s 4; and

(6)RCW 28B.120.900 (Intent—1999 c 169) and 1999 c 169 s 1.

NEW SECTION. **Sec.**  Sections 1 and 3 of this act constitute a new chapter in Title 28B RCW.

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