
HOUSE BILL 1244

State of Washington

57th Legislature

2001 Regular Session

By Representatives Kenney, Cox, Kagi, Tokuda, Gombosky, Morell, Fromhold, Van Luven, Keiser, Benson, Quall, Delvin, Doumit, Lantz, Wood, McIntire, Cooper, Simpson, Voloria, Lovick, Conway, Kessler, D. Schmidt, Lambert, O'Brien, Schual-Berke, Edwards, Darneille, Edmonds and Haigh

Read first time 01/22/2001. Referred to Committee on Higher Education.

1 AN ACT Relating to the creation of a foster care endowed
2 scholarship program; amending RCW 43.79A.040; adding a new chapter to
3 Title 28B RCW; and making an appropriation.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that children who grow
6 up in the foster care system face many financial challenges. The
7 legislature also finds that these financial challenges can discourage
8 or prevent these children from pursuing a higher education. The
9 legislature further finds that access to a higher education will give
10 children who are in foster care hope for the future. Moreover, the
11 legislature finds that financial assistance will help these children
12 become successful, productive, contributing citizens and avoid cycles
13 of abuse, poverty, violence, and delinquency.

14 NEW SECTION. **Sec. 2.** Unless the context clearly requires
15 otherwise, the definitions in this section apply throughout this
16 chapter.

17 (1) "Institution of higher education" includes:

1 (a) Public institutions of higher education, as defined in RCW
2 28B.10.016;

3 (b) Private, nonprofit educational institutions, the main campuses
4 of which are permanently situated in the state, providing programs of
5 education beyond the high school level, leading to a degree or
6 certificate, and accredited by the Northwest association of schools and
7 colleges as of the effective date of this section;

8 (c) Other institutions that are approved by the higher education
9 coordinating board.

10 (2) "Eligible student" means a student who:

11 (a) Is between the ages of sixteen and twenty-three;

12 (b) Has been in foster care in the state of Washington for a
13 minimum of six months since his or her fourteenth birthday;

14 (c) Is a financially needy student, as defined in RCW 28B.10.802;

15 (d) Is a resident student, as defined in RCW 28B.15.012(2);

16 (e) Has or will enter an institution of higher education or
17 vocational program in Washington state within three years of high
18 school graduation or having successfully completed his or her GED;

19 (f) Is not pursuing a degree in theology; and

20 (g) Makes satisfactory progress towards the completion of a degree
21 or certificate program.

22 (3) "Cost of attendance" means the cost associated with the
23 attendance of the institution of higher education as determined by the
24 higher education coordinating board, including but not limited to
25 tuition, room, board, and books.

26 NEW SECTION. **Sec. 3.** The foster care endowed scholarship program
27 is created. The purpose of the program is to help students who were in
28 foster care attend an institution of higher education in the state of
29 Washington. The foster care endowed scholarship shall be administered
30 by the higher education coordinating board. In administering the
31 program, the higher education coordinating board's powers and duties
32 shall include but not be limited to:

33 (1) Work with the department of social and health services and the
34 superintendent of public instruction to provide information about the
35 foster care endowed scholarship program to children in foster care in
36 the state of Washington and to students over the age of sixteen who
37 could be eligible for this program;

38 (2) Adopt necessary rules and guidelines;

- 1 (3) Publicize the program;
- 2 (4) Accept and deposit donations into the foster care scholarship
3 endowment fund created in section 6 of this act;
- 4 (5) Request and accept from the state treasurer moneys earned from
5 the foster care endowed scholarship trust fund created in section 5 of
6 this act and the foster care scholarship endowment fund created in
7 section 6 of this act;
- 8 (6) Solicit and accept grants and donations from public and private
9 sources for the program; and
- 10 (7) Contract with a private agency to perform outreach to the
11 potentially eligible students.

12 NEW SECTION. **Sec. 4.** (1) The higher education coordinating board
13 may award scholarships to eligible students from moneys earned from the
14 foster care scholarship endowment fund in section 6 of this act, from
15 funds appropriated to the board for this purpose, from any private
16 donations, or from any other funds given to the board for the program.

17 (2) The amount of the award shall be the differential between the
18 cost of attendance at the chosen institution of higher education and
19 aggregate of the eligible student's Pell grant and state need grant.

20 (3) The eligible student may receive a maximum of eight semesters
21 or twelve quarters of grants for higher education in the state of
22 Washington.

23 (4) Grants under this chapter shall not affect eligibility for the
24 state student financial aid program.

25 (5) An eligible student may transfer among institutions of higher
26 education in the state of Washington.

27 (6) Grants may not exceed the cost of attendance at a state public
28 research institution of higher education.

29 NEW SECTION. **Sec. 5.** (1) The foster care endowed scholarship
30 trust fund is established in the custody of the state treasurer. The
31 trust fund shall be administered by the state treasurer.

32 (2) Funds appropriated by the legislature for the foster care
33 endowed scholarship trust fund shall be deposited in the foster care
34 endowed scholarship trust fund. At the request of the higher education
35 coordinating board, and when conditions in section 7 of this act are
36 met, the treasurer shall deposit state matching moneys in the trust
37 fund into the foster care scholarship endowment fund.

1 (3) No appropriation is required for expenditures from the trust
2 fund.

3 NEW SECTION. **Sec. 6.** The foster care scholarship endowment fund
4 is established in the custody of the state treasurer. The endowment
5 fund shall be administered by the state treasurer.

6 (1) Moneys received from the higher education coordinating board,
7 private donations, state matching moneys, and funds received from any
8 other source may be deposited into the foster care scholarship
9 endowment fund. Private moneys received as a gift subject to
10 conditions may be deposited into the endowment fund.

11 (2) At the request of the higher education coordinating board, the
12 state treasurer shall release earnings from the foster care scholarship
13 endowment fund to the board for scholarships. No appropriation is
14 required for expenditures from the endowment fund.

15 (3) When notified by the higher education coordinating board or by
16 court order that a condition attached to a gift of private moneys from
17 the foster care scholarship endowment fund has failed, the treasurer
18 shall release those moneys to the donors according to the terms of the
19 conditional gift.

20 (4) The principal of the foster care scholarship endowment fund
21 shall not be invaded. The release of moneys under subsection (3) of
22 this section shall not constitute an invasion of the corpus.

23 (5) The earnings on the foster care scholarship endowment fund
24 shall be used solely for the purposes in this chapter, except when the
25 conditional gift of private moneys in the endowment fund require a
26 portion of the earnings on such moneys be reinvested in the endowment
27 fund.

28 NEW SECTION. **Sec. 7.** The higher education coordinating board may
29 request that the treasurer deposit fifty thousand dollars of state
30 matching funds into the foster care scholarship endowment fund when the
31 board can match state funds with an equal amount of private cash
32 donations, including conditional gifts.

33 **Sec. 8.** RCW 43.79A.040 and 2000 c 79 s 45 are each amended to read
34 as follows:

35 (1) Money in the treasurer's trust fund may be deposited, invested,
36 and reinvested by the state treasurer in accordance with RCW 43.84.080

1 in the same manner and to the same extent as if the money were in the
2 state treasury.

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

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

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

17 (b) The following accounts and funds shall receive their
18 proportionate share of earnings based upon each account's or fund's
19 average daily balance for the period: The Washington advanced college
20 tuition payment program account, the agricultural local fund, the
21 American Indian scholarship endowment fund, the foster care scholarship
22 endowment fund, the basic health plan self-insurance reserve account,
23 the Washington international exchange scholarship endowment fund, the
24 developmental disabilities endowment trust fund, the energy account,
25 the fair fund, the game farm alternative account, the grain inspection
26 revolving fund, the juvenile accountability incentive account, the
27 rural rehabilitation account, the stadium and exhibition center
28 account, the youth athletic facility ((grant)) account, the self-
29 insurance revolving fund, the sulfur dioxide abatement account, and the
30 children's trust fund. However, the earnings to be distributed shall
31 first be reduced by the allocation to the state treasurer's service
32 fund pursuant to RCW 43.08.190.

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

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

4 NEW SECTION. **Sec. 9.** Sections 1 through 7 of this act constitute
5 a new chapter in Title 28B RCW.

6 NEW SECTION. **Sec. 10.** The sum of one hundred fifty thousand
7 dollars, or as much thereof as may be necessary, is appropriated from
8 the general fund to the higher education coordinating board for the
9 fiscal year ending June 30, 2002, to carry out the purposes of this
10 act.

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