

CERTIFICATION OF ENROLLMENT
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2143

65th Legislature
2018 Regular Session

Passed by the House March 5, 2018
Yeas 94 Nays 3

Speaker of the House of Representatives

Passed by the Senate March 2, 2018
Yeas 48 Nays 1

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2143** as passed by House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2143

AS AMENDED BY THE SENATE

Passed Legislature - 2018 Regular Session

State of Washington 65th Legislature 2017 Regular Session

By House Appropriations (originally sponsored by Representatives Haler, Hansen, Holy, Stanford, and Muri)

READ FIRST TIME 04/04/17.

1 AN ACT Relating to expanding opportunities for higher education
2 students; amending RCW 28B.145.005, 28B.145.010, 28B.145.020,
3 28B.145.030, 28B.145.040, and 28B.145.090; and adding a new chapter
4 to Title 28B RCW.

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

6 NEW SECTION. **Sec. 1.** The definitions in this section apply
7 throughout this chapter unless the context clearly requires
8 otherwise.

9 (1) "Eligible student" means a resident student who is enrolled
10 in an accredited doctor of medicine or doctor of osteopathic medicine
11 program in the state, is making satisfactory progress, and has
12 declared an intention to work as a physician in a rural underserved
13 area in Washington following residency.

14 (2) "Medical student loan" means a loan that is approved by the
15 office and awarded to a participant under the program.

16 (3) "Office" means the office of student financial assistance.

17 (4) "Participant" means an eligible student who has received a
18 medical student loan under the program.

19 (5) "Program" means the medical student loan program.

20 (6) "Rural underserved area" means a rural county as defined in
21 RCW 82.14.370 that is also designated by the health resources and

1 services administration as a medically underserved area or having a
2 medically underserved population.

3 NEW SECTION. **Sec. 2.** The medical student loan program is
4 established to increase the physician workforce in rural underserved
5 areas in Washington state. The program must be funded exclusively
6 with private funding for the purpose of providing medical student
7 loans. State funding may be used for the administration of the
8 program. The office shall administer the program and has the
9 following powers and duties:

10 (1) To design and implement a low interest medical student loan
11 program with the following elements:

12 (a) A low interest rate, comparable to or more favorable than the
13 federal direct loan program, with interest charges that begin to
14 accrue once the participant finishes his or her medical residency
15 program;

16 (b) An annual loan limit not to exceed forty thousand dollars and
17 no more than the participant's estimated cost of attendance as
18 determined by his or her medical program;

19 (c) Loan repayments that do not commence until:

20 (i) Six months after the participant completes his or her medical
21 residency program; or

22 (ii) Six months after a participant leaves his or her doctor of
23 medicine program, doctor of osteopathic medicine program, or medical
24 residency program before completing; and

25 (d) An interest rate of at least twelve percent plus capitalized
26 interest that was deferred during the participant's doctor of
27 medicine or doctor of osteopathic medicine program, and residency
28 program, if the participant does not work as a physician in a rural
29 underserved area in Washington for three years following completion
30 of his or her medical residency program;

31 (2) To establish an application, selection, and notification
32 process for awarding medical student loans to eligible students;

33 (3) To define the terms of repayment, including applicable
34 interest rates, fees, and deferments;

35 (4) To collect and manage repayments on the medical student
36 loans;

37 (5) To solicit and accept grants and donations from nonstate
38 public and private sources for the program;

1 (6) To exercise discretion to revise repayment obligations in
2 certain cases, such as economic hardship or disability;

3 (7) To publicize the program; and

4 (8) To adopt necessary rules.

5 NEW SECTION. **Sec. 3.** (1) The medical student loan account is
6 created in the custody of the state treasurer. Only the executive
7 director of the office or the executive director's designee may
8 authorize expenditures from the account. No appropriation is required
9 for expenditures from the account for medical student loans. An
10 appropriation is required for expenditures from the account for costs
11 associated with program administration by the office.

12 (2) The office shall deposit into the account all moneys received
13 for the program. Revenues to the account consist of moneys received
14 for the program by the office, including grants and donations, and
15 receipts from participant repayments, including principal and
16 interest.

17 (3) Expenditures from the account may be used solely for medical
18 student loans to participants in the program established by this
19 chapter and costs associated with program administration by the
20 office.

21 NEW SECTION. **Sec. 4.** (1) The office shall submit an annual
22 report regarding the program to the governor and the appropriate
23 committees of the legislature in accordance with the reporting
24 requirements in RCW 43.01.036.

25 (2) The annual report shall describe the design and
26 implementation of the program, and must include the following:

27 (a) The number of applicants for medical student loans;

28 (b) The number of participants in the program;

29 (c) The number of participants in the program who complete their
30 medical program;

31 (d) The number of participants in the program who are placed in
32 employment;

33 (e) The nature of that employment, including the type of job;
34 whether the job is full-time, part-time, or temporary; and the income
35 range;

36 (f) Whether the participant is working in a rural underserved
37 area, and what percent of the participant's patients are served by

1 medicaid, the children's health insurance program, apple health, or
2 other programs with similar eligibility requirements;

3 (g) Demographic profiles of both applicants and participants;

4 (h) The amount of the private funding collected for the program;
5 and

6 (i) An estimate of when the program will be self-sustaining.

7 (3) The annual report must be submitted by December 1st of each
8 year after July 1, 2020.

9 **Sec. 5.** RCW 28B.145.005 and 2011 1st sp.s. c 13 s 1 are each
10 amended to read as follows:

11 The legislature finds that, despite increases in degree
12 production, there remain acute shortages in high employer demand
13 programs of study, particularly in the science, technology,
14 engineering, and mathematics (STEM) and health care fields of study.
15 According to the workforce training and education coordinating board,
16 seventeen percent of Washington businesses had difficulty finding job
17 applicants in 2010. Eleven thousand employers did not fill a vacancy
18 because they lacked qualified job applicants. Fifty-nine percent of
19 projected job openings in Washington state from now until 2017 will
20 require some form of postsecondary education and training.

21 It is the intent of the legislature to provide jobs and
22 opportunity by making Washington the place where the world's most
23 productive companies find the world's most talented people. The
24 legislature intends to accomplish this through the creation of the
25 opportunity scholarship and the opportunity expansion programs to
26 help mitigate the impact of tuition increases, increase the number of
27 baccalaureate degrees in high employer demand and other programs and
28 advanced degrees in health professions needed in service obligation
29 areas, and invest in programs and students to meet market demands for
30 a knowledge-based economy while filling middle-income jobs with a
31 sufficient supply of skilled workers.

32 **Sec. 6.** RCW 28B.145.010 and 2014 c 208 s 1 are each amended to
33 read as follows:

34 The definitions in this section apply throughout this chapter
35 unless the context clearly requires otherwise.

36 (1) "Board" means the opportunity scholarship board.

37 (2) "Council" means the student achievement council.

1 (3) "Eligible advanced degree program" means a health
2 professional degree program beyond the baccalaureate level and
3 includes graduate and professional degree programs.

4 (4) "Eligible education programs" means high employer demand and
5 other programs of study as determined by the board.

6 ((+4)) (5) "Eligible expenses" means reasonable expenses
7 associated with the costs of acquiring an education such as tuition,
8 books, equipment, fees, room and board, and other expenses as
9 determined by the program administrator in consultation with the
10 council and the state board for community and technical colleges.

11 ((+5)) (6) "Eligible student" means a resident student who
12 received his or her high school diploma or high school equivalency
13 certificate as provided in RCW 28B.50.536 in Washington and who:

14 (a)(i) Has been accepted at a four-year institution of higher
15 education into an eligible education program leading to a
16 baccalaureate degree; ((+))

17 (ii) Will attend a two-year institution of higher education and
18 intends to transfer to an eligible education program at a four-year
19 institution of higher education; or

20 (iii) Has been accepted at an institution of higher education
21 into an eligible advanced degree program and has agreed to the
22 service obligation established by the board;

23 (b) Declares an intention to obtain a baccalaureate degree or an
24 advanced degree; and

25 (c) Has a family income at or below one hundred twenty-five
26 percent of the state median family income at the time the student
27 applies for an opportunity scholarship.

28 ((+6)) (7) "High employer demand program of study" has the same
29 meaning as provided in RCW 28B.50.030.

30 ((+7)) (8) "Participant" means an eligible student who has
31 received a scholarship under the opportunity scholarship program.

32 ((+8)) (9) "Program administrator" means a ~~((college scholarship~~
33 ~~organization that is a))~~ private nonprofit corporation registered
34 under Title 24 RCW and qualified as a tax-exempt entity under section
35 501(c)(3) of the federal internal revenue code ~~((, with expertise in~~
36 ~~managing scholarships and college advising))~~.

37 ((+9)) (10) "Resident student" has the same meaning as provided
38 in RCW 28B.15.012.

1 (11) "Service obligation" means an obligation by the participant
2 to be employed in a service obligation area in the state for a
3 specific period to be established by the board.

4 (12) "Service obligation area" means a location that meets one of
5 the following conditions:

6 (a) Has been designated by the council as an eligible site under
7 the health professional conditional scholarship program established
8 under chapter 28B.115 RCW;

9 (b) Serves at least forty percent uninsured or medicaid enrolled
10 patients;

11 (c) Is located in a rural county as defined in RCW 82.14.370 and
12 serves a combination of uninsured, medicaid enrolled patients, and
13 medicare enrolled patients, equal to at least forty percent of the
14 practice location's total patients; or

15 (d) Serves a public agency, nonprofit organization, or local
16 health jurisdiction as defined in RCW 43.70.575 by providing public
17 health services necessary to preserve, protect, and promote the
18 health of the state's population, as determined by the board after
19 consultation with the department of health.

20 **Sec. 7.** RCW 28B.145.020 and 2014 c 208 s 2 are each amended to
21 read as follows:

22 (1) The opportunity scholarship board is created. The board
23 consists of eleven members:

24 (a) Six members appointed by the governor. For three of the six
25 appointments, the governor shall consider names from a list provided
26 by the president of the senate and the speaker of the house of
27 representatives; and

28 (b) Five foundation or business and industry representatives
29 appointed by the governor from among the state's most productive
30 industries such as aerospace, manufacturing, health care, information
31 technology, engineering, agriculture, and others, as well as
32 philanthropy. The foundation or business and industry representatives
33 shall be selected from among nominations provided by the private
34 sector donors to the opportunity scholarship and opportunity
35 expansion programs. However, the governor may request, and the
36 private sector donors shall provide, an additional list or lists from
37 which the governor shall select these representatives.

38 (2) Board members shall hold their offices for a term of four
39 years from the first day of September and until their successors are

1 appointed. No more than the terms of two members may expire
2 simultaneously on the last day of August in any one year.

3 (3) The members of the board shall elect one of the business and
4 industry representatives to serve as chair.

5 (4) Seven members of the board constitute a quorum for the
6 transaction of business. In case of a vacancy, or when an appointment
7 is made after the date of expiration of the term, the governor or the
8 president of the senate or the speaker of the house of
9 representatives, depending upon which made the initial appointment to
10 that position, shall fill the vacancy for the remainder of the term
11 of the board member whose office has become vacant or expired.

12 (5) The board shall be staffed by the program administrator.

13 (6) The purpose of the board is to provide oversight and guidance
14 for the opportunity expansion and the opportunity scholarship
15 programs in light of established legislative priorities and to
16 fulfill the duties and responsibilities under this chapter, including
17 but not limited to determining eligible education programs and
18 eligible advanced degree programs for purposes of the opportunity
19 scholarship program. In determining eligible advanced degree
20 programs, the board shall consider advanced degree programs that lead
21 to credentials in health professions that include, but are not
22 limited to, primary care, dental care, behavioral health, and public
23 health. Duties, exercised jointly with the program administrator,
24 include soliciting funds and setting annual fund-raising goals.

25 (7) The board may report to the governor and the appropriate
26 committees of the legislature with recommendations as to:

27 (a) Whether some or all of the scholarships should be changed to
28 conditional scholarships that must be repaid in the event the
29 participant does not complete the eligible education program; (~~and~~)

30 (b) A source or sources of funds for the opportunity expansion
31 program in addition to the voluntary contributions of the high-
32 technology research and development tax credit under RCW 82.32.800;
33 and

34 (c) Whether the program should include a loan repayment or low-
35 interest or no-interest loan component for the advanced degree
36 portion of the program.

37 (8) The board shall report to the governor and the appropriate
38 committees of the legislature by December 1st of each biennium,
39 beginning December 1, 2019, on the following:

1 (a) A list of the eligible advanced degree programs and service
2 obligation areas;

3 (b) The number of participants in eligible advanced degree
4 programs, the number of participants completing their service
5 obligations in a service obligation area, and the number of
6 participants who have completed their service obligation; and

7 (c) The number of participants who did not complete their service
8 obligation who now owe a repayment obligation and the reasons why the
9 participants did not complete their service obligations.

10 **Sec. 8.** RCW 28B.145.030 and 2014 c 208 s 3 are each amended to
11 read as follows:

12 (1) The program administrator(~~(, under contract with the council,~~
13 ~~shall staff the board and~~)) shall ((have)) provide administrative
14 support to execute the duties and responsibilities provided in this
15 chapter, including but not limited to publicizing the program,
16 selecting participants for the opportunity scholarship award,
17 distributing opportunity scholarship awards, and achieving the
18 maximum possible rate of return on investment of the accounts in
19 subsection (2) of this section, while ensuring transparency in the
20 investment decisions and processes. Duties, exercised jointly with
21 the board, include soliciting funds and setting annual fund-raising
22 goals. The program administrator shall be paid an administrative fee
23 as determined by the board.

24 (2) With respect to the opportunity scholarship program, the
25 program administrator shall:

26 (a) Establish and manage ((two)) separate accounts into which to
27 receive grants and contributions from private sources as well as
28 state matching funds, and from which to disburse scholarship funds to
29 participants;

30 (b) Solicit and accept grants and contributions from private
31 sources, via direct payment, pledge agreement, or escrow account, of
32 private sources for deposit into ((one or both of the two)) any of
33 the specified accounts created in this subsection (2)(b) upon the
34 direction of the donor and in accordance with this subsection (2)(b):

35 (i) The "scholarship account," whose principal may be invaded,
36 and from which scholarships must be disbursed for baccalaureate
37 programs beginning no later than December 1, 2011, if, by that date,
38 state matching funds in the amount of five million dollars or more
39 have been received. Thereafter, scholarships shall be disbursed on an

1 annual basis beginning no later than May 1, 2012, and every October
2 1st thereafter;

3 (ii) The "advanced degrees pathways account," whose principal may
4 be invaded, and from which scholarships may be disbursed for eligible
5 advanced degree programs in the fiscal year following appropriations
6 of state matching funds. Thereafter, scholarships shall be disbursed
7 on an annual basis;

8 (iii) The "endowment account," from which scholarship moneys may
9 be disbursed for baccalaureate programs from earnings only in years
10 when:

11 (A) The state match has been made into both the scholarship and
12 the endowment account; and

13 (B) The state appropriations for the state need grant under RCW
14 28B.92.010 meet or exceed state appropriations for the state need
15 grant made in the 2011-2013 biennium, adjusted for inflation, and
16 eligibility for state need grant recipients is at least seventy
17 percent of state median family income; ((and

18 ~~(C) The state has demonstrated progress toward the goal of total~~
19 ~~per-student funding levels, from state appropriations plus tuition~~
20 ~~and fees, of at least the sixtieth percentile of total per-student~~
21 ~~funding at similar public institutions of higher education in the~~
22 ~~global challenge states, as defined, measured, and reported in RCW~~
23 ~~28B.15.068. In any year in which the office of financial management~~
24 ~~reports that the state has not made progress toward this goal, no new~~
25 ~~scholarships may be awarded. In any year in which the office of~~
26 ~~financial management reports that the percentile of total per-student~~
27 ~~funding is less than the sixtieth percentile and at least five~~
28 ~~percent less than the prior year, pledges of future grants and~~
29 ~~contributions may, at the request of the donor, be released and~~
30 ~~grants and contributions already received refunded to the extent that~~
31 ~~opportunity scholarship awards already made can be fulfilled from the~~
32 ~~funds remaining in the endowment account. In fulfilling the~~
33 ~~requirements of this subsection, the office of financial management~~
34 ~~shall use resources that facilitate measurement and comparisons of~~
35 ~~the most recently completed academic year. These resources may~~
36 ~~include, but are not limited to, the data provided in a uniform~~
37 ~~dashboard format under RCW 28B.77.090 as the statewide public four-~~
38 ~~year dashboard and academic year reports prepared by the state board~~
39 ~~for community and technical colleges;~~

1 ~~(iii))~~ (iv) An amount equal to at least fifty percent of all
2 grants and contributions must be deposited into the scholarship
3 account until such time as twenty million dollars have been deposited
4 into the account, after which time the private donors may designate
5 whether their contributions must be deposited to the scholarship, the
6 advanced degrees pathways, or the endowment accounts. The board and
7 the program administrator must work to maximize private sector
8 contributions to ~~((both))~~ the scholarship account, the advanced
9 degrees pathways account, and the endowment account, to maintain a
10 robust scholarship program while simultaneously building the
11 endowment, and to determine the division between the ~~((two))~~
12 scholarship, the advanced degrees pathways, and the endowment
13 accounts in the case of undesignated grants and contributions, taking
14 into account the need for a long-term funding mechanism and the
15 short-term needs of families and students in Washington. The first
16 five million dollars in state match, as provided in RCW 28B.145.040,
17 shall be deposited into the scholarship account and thereafter the
18 state match shall be deposited into the ~~((two))~~ accounts in equal
19 proportion to the private funds deposited in each account, except
20 that no more than one million dollars in state match shall be
21 deposited into the advanced degrees pathways account in a single
22 fiscal biennium; and

23 ~~((iv))~~ (v) Once moneys in the opportunity scholarship match
24 transfer account are subject to an agreement under RCW 28B.145.050(5)
25 and are deposited in the scholarship account, advanced degrees
26 pathways account, or endowment account under this section, the state
27 acts in a fiduciary rather than ownership capacity with regard to
28 those assets. Assets in the scholarship account, advanced degrees
29 pathways account, and endowment account are not considered state
30 money, common cash, or revenue to the state;

31 (c) Provide proof of receipt of grants and contributions from
32 private sources to the council, identifying the amounts received by
33 name of private source and date, and whether the amounts received
34 were deposited into the scholarship, the advanced degrees pathways,
35 or the endowment accounts;

36 (d) In consultation with the council and the state board for
37 community and technical colleges, make an assessment of the
38 reasonable annual eligible expenses associated with eligible
39 education programs and eligible advanced degree programs identified
40 by the board;

1 (e) Determine the dollar difference between tuition fees charged
2 by institutions of higher education in the 2008-09 academic year and
3 the academic year for which an opportunity scholarship is being
4 distributed;

5 (f) Develop and implement an application, selection, and
6 notification process for awarding opportunity scholarships;

7 (g) Determine the annual amount of the opportunity scholarship
8 for each selected participant. The annual amount shall be at least
9 one thousand dollars or the amount determined under (e) of this
10 subsection, but may be increased on an income-based, sliding scale
11 basis up to the amount necessary to cover all reasonable annual
12 eligible expenses as assessed pursuant to (d) of this subsection, or
13 to encourage participation in baccalaureate degree programs or
14 eligible advanced degree programs identified by the board;

15 (h) Distribute scholarship funds to selected participants. Once
16 awarded, and to the extent funds are available for distribution, an
17 opportunity scholarship shall be automatically renewed as long as the
18 participant annually submits documentation of filing both a free
19 application for federal student aid and for available federal
20 education tax credits including, but not limited to, the American
21 opportunity tax credit, or if ineligible to apply for federal student
22 aid, the participant annually submits documentation of filing a state
23 financial aid application as approved by the office of student
24 financial assistance; and until the participant withdraws from or is
25 no longer attending the program, completes the program, or has taken
26 the credit or clock hour equivalent of one hundred twenty-five
27 percent of the published length of time of the participant's program,
28 whichever occurs first(~~(, and as long as the participant annually~~
29 ~~submits documentation of filing both a free application for federal~~
30 ~~student aid and for available federal education tax credits,~~
31 ~~including but not limited to the American opportunity tax credit));
32 ((and))~~

33 (i) Notify institutions of scholarship recipients who will attend
34 their institutions and inform them of the terms of the students'
35 eligibility;

36 (j) Establish a required service obligation for participants
37 enrolled in an eligible advanced degree program, and establish a
38 process for verifying a participant's employment in a service
39 obligation area; and

1 (k) Establish a repayment obligation and appeals process for
2 participants who serve less than the required service obligation,
3 unless the program administrator determines the circumstances are
4 beyond the participant's control. If the participant is unable to pay
5 the repayment obligation in full, the participant may enter into
6 payment arrangements with the program administrator. The program
7 administrator is responsible for the collection of repayment
8 obligations on behalf of participants who fail to complete their
9 service obligation.

10 (3) With respect to the opportunity expansion program, the
11 program administrator shall:

12 (a) Assist the board in developing and implementing an
13 application, selection, and notification process for making
14 opportunity expansion awards; and

15 (b) Solicit and accept grants and contributions from private
16 sources for opportunity expansion awards.

17 **Sec. 9.** RCW 28B.145.040 and 2011 1st sp.s. c 13 s 5 are each
18 amended to read as follows:

19 (1) The opportunity scholarship program is established.

20 (2) The purpose of this scholarship program is to provide
21 scholarships that will help low and middle-income Washington
22 residents earn baccalaureate degrees in high employer demand and
23 other programs of study and advanced degrees in health professions
24 needed in service obligation areas, and encourage them to remain in
25 the state to work. The program must be designed for (~~both~~) students
26 starting at two-year institutions of higher education and intending
27 to transfer to four-year institutions of higher education (~~and~~),
28 students starting at four-year institutions of higher education, and
29 students enrolled in an eligible advanced degree program.

30 (3) The opportunity scholarship board shall determine which
31 programs of study, including but not limited to high employer demand
32 programs, are eligible for purposes of the opportunity scholarship.
33 For eligible advanced degree programs, the board shall limit
34 scholarships to eligible students enrolling in programs that lead to
35 credentials in health professions needed in service obligation areas.

36 (4) The source of funds for the program shall be a combination of
37 private grants and contributions and state matching funds. A state
38 match may be earned under this section for private contributions made
39 on or after June 6, 2011. A state match, up to a maximum of fifty

1 million dollars annually, shall be provided beginning the later of
2 January 1, 2014, or January 1st next following the end of the fiscal
3 year in which collections of state retail sales and use tax, state
4 business and occupation tax, and state public utility tax exceed, by
5 ten percent the amounts collected from these tax resources in the
6 fiscal year that ended June 30, 2008, as determined by the department
7 of revenue.

8 **Sec. 10.** RCW 28B.145.090 and 2014 c 208 s 4 are each amended to
9 read as follows:

10 (1) The board may elect to have the state investment board invest
11 the funds in the scholarship account, the advanced degrees pathways
12 account, and the endowment account described under RCW
13 28B.145.030(2)(b). If the board so elects, the state investment board
14 has the full power to invest, reinvest, manage, contract, sell, or
15 exchange investment money in the (~~two~~) accounts. All investment and
16 operating costs associated with the investment of money shall be paid
17 under RCW 43.33A.160 and 43.84.160. With the exception of these
18 expenses, the earnings from the investment of the money shall be
19 retained by the accounts.

20 (2) All investments made by the state investment board shall be
21 made with the exercise of that degree of judgment and care under RCW
22 43.33A.140 and the investment policy established by the state
23 investment board.

24 (3) As deemed appropriate by the state investment board, money in
25 the scholarship, advanced degrees pathways, and endowment accounts
26 may be commingled for investment with other funds subject to
27 investment by the state investment board.

28 (4) Members of the state investment board shall not be considered
29 an insurer of the funds or assets and are not liable for any action
30 or inaction.

31 (5) Members of the state investment board are not liable to the
32 state, to the fund, or to any other person as a result of their
33 activities as members, whether ministerial or discretionary, except
34 for willful dishonesty or intentional violations of law. The state
35 investment board in its discretion may purchase liability insurance
36 for members.

37 (6) The authority to establish all policies relating to the
38 scholarship account, the advanced degrees pathways account, and the
39 endowment account, other than the investment policies as provided in

1 subsections (1) through (3) of this section, resides with the board
2 and program administrator acting in accordance with the principles
3 set forth in this chapter. With the exception of expenses of the
4 state investment board in subsection (1) of this section,
5 disbursements from the scholarship account, the advanced degrees
6 pathways account, and the endowment account shall be made only on the
7 authorization of the opportunity scholarship board or its designee,
8 and moneys in the accounts may be spent only for the purposes
9 specified in this chapter.

10 (7) The state investment board shall routinely consult and
11 communicate with the board on the investment policy, earnings of the
12 accounts, and related needs of the program.

13 NEW SECTION. **Sec. 11.** Sections 1 through 4 of this act
14 constitute a new chapter in Title 28B RCW.

--- END ---