
SUBSTITUTE HOUSE BILL 1622

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Higher Education (originally sponsored by Representatives Kenney, Carlson, Mason, Van Luven, Sheahan, Radcliff, Butler, Regala, Sullivan, Cody, Wood, Veloria, Tokuda, Kastama, Cooper, Skinner, Dunshee, Constantine, Dickerson, Conway, Anderson, Costa, Schoesler and O'Brien)

Read first time 02/27/97.

1 AN ACT Relating to the Hispanic American endowed scholarship
2 program; amending RCW 43.79A.040; and adding a new chapter to Title 28B
3 RCW.

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

5 NEW SECTION. **Sec. 1.** The legislature recognizes the benefit to
6 our state and nation of providing equal educational opportunities for
7 all races and nationalities. The legislature finds that Hispanic
8 American students are underrepresented in Washington's colleges and
9 universities. The legislature also finds that past discriminatory
10 practices have resulted in this underrepresentation. Creating an
11 endowed scholarship program for students to work with the Hispanic
12 community will help rectify past discrimination and provide a means and
13 an incentive for Hispanic American students to pursue a higher
14 education. The state will benefit from contributions made by Hispanic
15 Americans who participate in a program of higher education.

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

1 (1) "Institution of higher education" or "institution" means a
2 college or university in the state of Washington which is accredited by
3 an accrediting association recognized as such by rule of the higher
4 education coordinating board.

5 (2) "Board" means the higher education coordinating board.

6 (3) "Eligible student" or "student" means a student who is familiar
7 with the unique educational and cultural needs of the Hispanic
8 community as defined by the board in consultation with the advisory
9 committee described in section 4 of this act, who is a financially
10 needy student, as defined by the board, who is a resident student, as
11 defined by RCW 28B.15.012(2), who is a full-time student at an
12 institution of higher education, and who promises to use his or her
13 education to benefit other Hispanic Americans.

14 NEW SECTION. **Sec. 3.** The Hispanic American endowed scholarship
15 program is created. The program shall be administered by the board.
16 In administering the program, the board's powers and duties shall
17 include but not be limited to:

18 (1) Selecting students to receive scholarships, with the assistance
19 of a screening committee composed of persons involved in helping
20 Hispanic American students obtain a higher education;

21 (2) Adopting necessary rules and guidelines;

22 (3) Publicizing the program;

23 (4) Accepting and depositing donations into the endowment fund
24 created in section 7 of this act;

25 (5) Requesting and accepting from the state treasurer moneys earned
26 from the trust fund and the endowment fund created in sections 6 and 7
27 of this act;

28 (6) Soliciting and accepting grants and donations from public and
29 private sources for the program; and

30 (7) Naming scholarships in honor of Hispanic Americans who have
31 acted as role models.

32 NEW SECTION. **Sec. 4.** The board shall establish an advisory
33 committee to assist in program design and to develop criteria for the
34 screening and selection of scholarship recipients. The committee shall
35 be composed of persons involved in helping Hispanic American students
36 obtain higher education. The criteria shall include a priority for
37 upper-division or graduate students. The criteria may include a

1 priority for students who are majoring in program areas in which
2 expertise is needed by the state's Hispanic Americans.

3 NEW SECTION. **Sec. 5.** The board may award scholarships to eligible
4 students from moneys earned from the endowment fund created in section
5 7 of this act, or from funds appropriated to the board for this
6 purpose, or from any private donations, or from any other funds given
7 to the board for this program. For an undergraduate student, the
8 amount of the scholarship shall not exceed the student's demonstrated
9 financial need. For a graduate student, the amount of the scholarship
10 shall not exceed the student's demonstrated need or the stipend of a
11 teaching assistant, including tuition, at the University of Washington,
12 whichever is higher. In calculating a student's need, the board shall
13 consider the student's costs for tuition, fees, books, supplies,
14 transportation, room, board, personal expenses, and child care. The
15 student's scholarship awarded under this chapter shall not exceed the
16 amount received by a student attending a state research university. A
17 student is eligible to receive a scholarship for a maximum of five
18 years. However, the length of the scholarship shall be determined at
19 the discretion of the board.

20 NEW SECTION. **Sec. 6.** The Hispanic American endowed scholarship
21 trust fund is established. The trust fund shall be administered by the
22 state treasurer. Funds appropriated by the legislature for the trust
23 fund shall be deposited into the fund. All moneys deposited in the
24 fund shall be invested by the state treasurer. Notwithstanding RCW
25 43.79A.040, all earnings of investments of balances of the trust fund
26 shall be credited to the fund. At the request of the board, and when
27 conditions set forth in section 8 of this act are met, the treasurer
28 shall transfer state matching moneys and any earned interest from the
29 trust fund to the Hispanic American scholarship endowment fund. No
30 appropriation is required for expenditures from the trust fund.

31 NEW SECTION. **Sec. 7.** The Hispanic American scholarship endowment
32 fund is established. The endowment fund shall be administered by the
33 state treasurer. Moneys received from the board, private donations,
34 state matching moneys and any earned interest, and funds received from
35 any other source may be deposited into the endowment fund. All moneys
36 deposited in the endowment fund shall be invested by the state

1 treasurer. Notwithstanding RCW 43.79A.040, all earnings of investments
2 of balances of the endowment fund shall be credited to the endowment
3 fund. At the request of the board, the treasurer shall release
4 earnings from the endowment fund to the board for scholarships. No
5 appropriation is required for expenditures from the endowment fund.

6 The principal of the endowment fund shall not be invaded. The
7 earnings on the fund shall be used solely for the purposes set forth in
8 section 5 of this act.

9 NEW SECTION. **Sec. 8.** The board may request that the treasurer
10 deposit fifty thousand dollars of state matching funds and any earned
11 interest into the Hispanic American scholarship endowment fund when the
12 board can match the state funds with an equal amount of private cash
13 donations. Private cash donations means moneys from nonstate sources
14 that include, but are not limited to, federal moneys, and assessments
15 by commodity commissions authorized to conduct research activities,
16 including but not limited to research studies authorized under RCW
17 15.66.030 and 15.65.040.

18 **Sec. 9.** RCW 43.79A.040 and 1996 c 253 s 409 are each amended to
19 read as follows:

20 (1) Money in the treasurer's trust fund may be deposited, invested
21 and reinvested by the state treasurer in accordance with RCW 43.84.080
22 in the same manner and to the same extent as if the money were in the
23 state treasury.

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

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

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

1 (b) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's or fund's
3 average daily balance for the period: The agricultural local fund, the
4 American Indian scholarship endowment fund, the Hispanic American
5 scholarship trust fund, the Hispanic American scholarship endowment
6 fund, the Washington international exchange scholarship endowment fund,
7 the energy account, the fair fund, the game farm alternative account,
8 the grain inspection revolving fund, the rural rehabilitation account,
9 and the self-insurance revolving fund. However, the earnings to be
10 distributed shall first be reduced by the allocation to the state
11 treasurer's service fund pursuant to RCW 43.08.190.

12 (c) The following accounts and funds shall receive eighty percent
13 of their proportionate share of earnings based upon each account's or
14 fund's average daily balance for the period: The advanced right of way
15 revolving fund, the federal narcotics asset forfeitures account, the
16 high occupancy vehicle account, and the local rail service assistance
17 account.

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

21 NEW SECTION. Sec. 10. Sections 1 through 8 of this act constitute
22 a new chapter in Title 28B RCW.

--- END ---