

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2291**

Chapter 253, Laws of 1996

(partial veto)

54th Legislature  
1996 Regular Session

INTERNATIONAL EDUCATIONAL, CULTURAL, AND  
BUSINESS EXCHANGES--PROMOTION

EFFECTIVE DATE: 6/6/96

Passed by the House March 2, 1996  
Yeas 81 Nays 9

CLYDE BALLARD

**Speaker of the  
House of Representatives**

Passed by the Senate February 29, 1996  
Yeas 41 Nays 7

JOEL PRITCHARD

**President of the Senate**

Approved March 29, 1996, with the  
exception of sections 101, 102, 103,  
104, and 410, which are vetoed.

MIKE LOWRY

**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of  
the House of Representatives of the  
State of Washington, do hereby certify  
that the attached is **HOUSE BILL 2291**  
as passed by the House of  
Representatives and the Senate on the  
dates hereon set forth.

TIMOTHY A. MARTIN

**Chief Clerk**

FILED

March 29, 1996 - 4:34 p.m.

**Secretary of State  
State of Washington**

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HOUSE BILL 2291

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AS AMENDED BY THE SENATE

Passed Legislature - 1996 Regular Session

State of Washington                      54th Legislature                      1996 Regular Session

By Representatives Van Luven, Voloria, Brumsickle, Jacobsen, Radcliff, Hatfield, Mason and Thompson

Read first time 01/09/96. Referred to Committee on Trade & Economic Development.

1            AN ACT Relating to international educational, cultural, and  
2 business exchanges; amending RCW 42.17.310; reenacting and amending RCW  
3 43.79A.040; adding new sections to chapter 43.07 RCW; adding a new  
4 chapter to Title 43 RCW; adding a new chapter to Title 28B RCW;  
5 creating new sections; and providing an expiration date.

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

7            NEW SECTION.    **Sec. 1.** (1) The legislature finds that:

8            (a) Educational, cultural, and business exchange programs are  
9 important in developing mutually beneficial relationships between  
10 Washington state and other countries;

11            (b) Enhanced international trade, cultural, and educational  
12 opportunities are developed when cities, counties, ports, and others  
13 establish sister relationships with their counterparts in other  
14 countries;

15            (c) It is important to the economic future of the state to promote  
16 international awareness and understanding; and

17            (d) The state's economy and economic well-being depend heavily on  
18 foreign trade and international exchanges.

19            (2) The legislature declares that the purpose of this act is to:

1 (a) Enhance Washington state's ability to develop relationships and  
2 contacts throughout the world enabling us to expand international  
3 education and trade opportunities for all citizens of the state;

4 (b) Develop and maintain an international data base of contacts in  
5 international trade markets;

6 (c) Encourage outstanding international students who reside in  
7 countries with existing trade relationships to attend Washington  
8 state's institutions of higher education; and

9 (d) Encourage Washington students to attend institutions of higher  
10 education located in countries with existing trading relationships with  
11 Washington state.

12 **PART I - CULTURAL EXCHANGE COUNCIL**

13 ***\*NEW SECTION. Sec. 101. The international education and exchange***  
14 ***council is created in the secretary of state's office. The council is***  
15 ***established as a public-private partnership. The purpose of the***  
16 ***council is to assist the governor, the legislature, elected state***  
17 ***officials, state and local agencies, educational institutions,***  
18 ***businesses, and organizations that foster international educational,***  
19 ***business, and cultural exchanges as these organizations and agencies***  
20 ***attempt to implement and further develop Washington's efforts to work***  
21 ***with targeted trading partners and with educational and trade***  
22 ***organizations from outside the United States.***

23 *\*Sec. 101 was vetoed. See message at end of chapter.*

24 ***\*NEW SECTION. Sec. 102. (1) The initial members of the council***  
25 ***may include, but need not be limited to:***

26 (a) *Representatives from the department of community, trade, and*  
27 *economic development; the department of agriculture; the office of the*  
28 *secretary of state; and the governor's office of protocol;*

29 (b) *Two members of the house of representatives, one from each*  
30 *caucus, selected by the speaker of the house of representatives;*

31 (c) *Two members of the senate, one from each caucus, selected by*  
32 *the president of the senate;*

33 (d) *Representatives of the common schools and public and private*  
34 *institutions of higher education;*

35 (e) *Representatives of the business community who are working in*  
36 *state-international trade efforts;*

1       (f) Representatives of organizations dedicated to international  
2 trade and cultural exchanges; and

3       (g) Interested members of the public selected by the secretary of  
4 state.

5       (2) The initial nonlegislative members shall be selected by the  
6 governor and the secretary of state.

7       (3) When the initial board members leave the council, any  
8 replacements shall be selected by members of the council.

9 \*Sec. 102 was vetoed. See message at end of chapter.

10       \*NEW SECTION. Sec. 103. The duties of the council may include,  
11 but need not be limited to:

12       (1) Advising the governor, elected state officials, the  
13 legislature, and others as appropriate on the needs of Washington state  
14 for international education and cultural exchange opportunities;

15       (2) Assisting efforts by state and local governments, business,  
16 education, and others to work with businesses, governmental units,  
17 educational institutions, and organizations outside the United States,  
18 with an emphasis on organizations, businesses, agencies, and  
19 educational institutions in the countries that comprise Washington's  
20 targeted trading partners;

21       (3) Promoting efforts to enhance cultural, business, and  
22 educational exchange opportunities;

23       (4) Assisting the department of community, trade, and economic  
24 development and the office of international relations and protocol to  
25 provide information and assist local governments in maintaining their  
26 established sister relationships in other countries;

27       (5) Assisting in maintaining the data base on cultural exchange  
28 opportunities and state residents who have participated in  
29 international exchanges;

30       (6) Monitoring the implementation of the recommendations of the  
31 Washington task force on international education and cultural  
32 exchanges; and

33       (7) Undertaking other duties as assigned.

34 \*Sec. 103 was vetoed. See message at end of chapter.

35       \*NEW SECTION. Sec. 104. The council may establish a private,  
36 nonprofit corporation created specifically to foster international  
37 educational, business, and cultural exchanges. Any such private,

1 *nonprofit corporation must qualify as a tax-exempt, nonprofit*  
2 *corporation under section 501(c) of the federal internal revenue code.*  
3 *\*Sec. 104 was vetoed. See message at end of chapter.*

4 NEW SECTION. **Sec. 105.** The secretary of state and the council may  
5 accept gifts, grants, conveyances, bequests, and devises, of real or  
6 personal property, or both, in trust or otherwise, and sell, lease,  
7 exchange, invest, or expend these donations or the proceeds, rents,  
8 profits, and income from the donations except as limited by the donor's  
9 terms. The secretary of state shall adopt rules to govern and protect  
10 the receipt and expenditure of the proceeds.

11 **PART II - INTERNATIONAL TRADING PARTNERS PROGRAM**

12 NEW SECTION. **Sec. 201.** The legislature believes that Washington  
13 state has hundreds of residents with expertise that they are willing to  
14 share with developing international trade partners on a volunteer  
15 basis. The legislature believes that by sharing their knowledge and  
16 skills, these volunteers could enrich the lives of all Washingtonians  
17 by promoting friendship and understanding between cultures, providing  
18 trained manpower improving the lives of their friends overseas, and  
19 creating a positive international image of Washington state.

20 NEW SECTION. **Sec. 202.** The secretary of state may develop a pilot  
21 project to furnish developing international trading partners with  
22 technical assistance, training, and expertise through services provided  
23 by volunteers. The secretary of state shall establish appropriate  
24 procedures to carry out the project. The secretary of state may  
25 appoint a director of the project who serves at the pleasure of the  
26 secretary of state, and appropriate staff as funding allows, however,  
27 the secretary of state is responsible for the continuous supervision  
28 and general direction of the project.

29 NEW SECTION. **Sec. 203.** (1) The secretary of state may enroll  
30 residents of Washington state in the project. These residents,  
31 referred to in this chapter as volunteers, shall be selected based on  
32 their skills, expertise, and language proficiency, the technical,  
33 educational, or training needs of the participating country, and other  
34 considerations deemed relevant by the secretary of state to furthering

1 the goals and purposes of the project. The secretary of state shall  
2 consider for participation in the program retired persons, students,  
3 and persons whose skills and backgrounds will contribute to the success  
4 of the program. In carrying out this subsection, there shall be no  
5 discrimination against any person based on race, gender, creed, or  
6 color.

7 (2) Volunteers shall not be deemed officers or employees of the  
8 state of Washington or otherwise in the service or employment of, or  
9 holding office under, the state of Washington.

10 (3) The terms and conditions of the enrollment, training,  
11 compensation, hours of work, benefits, leave, termination, and all  
12 other conditions of service of volunteers shall be exclusively those  
13 set forth by the terms of the project. Service as a volunteer may be  
14 terminated at any time at the pleasure of the secretary of state.

15 NEW SECTION. **Sec. 204.** (1) If funding is available, volunteers  
16 may be provided with living, travel, and leave allowances, and such  
17 housing, transportation, supplies, and equipment as the secretary of  
18 state may deem necessary for their maintenance and to ensure their  
19 health and their capacity to serve effectively. Transportation may be  
20 provided to volunteers for travel to and from the country of service.

21 (2) The secretary of state may establish policies regarding  
22 arrangements for spouses and children of volunteers to accompany the  
23 volunteers abroad.

24 (3) The secretary of state shall indemnify the state for claims  
25 relating to the project.

26 NEW SECTION. **Sec. 205.** Funding for the volunteer activities shall  
27 come from legislative appropriations, federal funds, private support  
28 funds, grant money available to implement technical assistance programs  
29 overseas, and such other funds as the secretary of state may receive.

### 30 **PART III - INTERNATIONAL CONTACT DATA BASE**

31 NEW SECTION. **Sec. 301.** (1) The legislature finds that knowledge  
32 of international exchange students who have studied in Washington state  
33 institutions of higher education, especially those from key trading  
34 partner countries, and knowledge of Washington state students, interns,  
35 and citizens working and studying abroad, is critical to the ability of

1 Washington businesses and citizens to establish contacts and networks  
2 in the competitive world market.

3 (2) The legislature also finds that knowledge of worldwide business  
4 contacts, government contacts, cultural contacts, and international  
5 friends is critical to building a solid network of opportunities for  
6 developing trade relations for our state.

7 (3) The secretary of state may develop and maintain a data base, to  
8 be known as the international contact data base, listing, in addition  
9 to any other information: (a) Washington students, interns, and  
10 citizens working and studying overseas; (b) international students who  
11 have studied at Washington educational institutions; (c) exchange  
12 opportunities for Washington residents wishing to participate in  
13 education, internships, or technical assistance programs in the areas  
14 of agriculture, hydroelectric power, aerospace, computers and  
15 technology, academics, medicine, and communications; (d) international  
16 business contacts of those people interested in doing business with  
17 Washington business; and (e) international government contacts,  
18 particularly with our key trading partners.

19 The data base may be designed to be used as a resource for  
20 Washington citizens, businesses, and other entities seeking contacts in  
21 international trade markets overseas.

22 (4) The department of community, trade, and economic development,  
23 the department of agriculture, and the governor's office of protocol  
24 may assist the secretary of state in designing and developing the data  
25 base and in obtaining data for inclusion in the data base. Four-year  
26 educational institutions and their alumni associations are encouraged  
27 to maintain data concerning students studying or working abroad,  
28 international students attending their institutions, and exchange  
29 opportunities available to their students and other citizens, and to  
30 make such data freely available to the secretary of state for inclusion  
31 in the data base.

32 (5) The information contained in the data base may be made  
33 available on request for inspection or copying for free or at cost.  
34 The secretary of state shall not distinguish among persons requesting  
35 information from the data base, though the secretary of state may  
36 request information from requesters for purposes of monitoring trade  
37 contacts and evaluating the uses and effectiveness of the data base.

38 (6) Any person listed in the data base may request in writing that  
39 his or her name, address, telephone number, or other identifying

1 information be omitted from the data base. Nothing in this section  
2 prohibits the secretary of state from refusing to disclose information  
3 exempt from disclosure under RCW 42.17.310.

4 **Sec. 302.** RCW 42.17.310 and 1995 c 267 s 6 are each amended to  
5 read as follows:

6 (1) The following are exempt from public inspection and copying:

7 (a) Personal information in any files maintained for students in  
8 public schools, patients or clients of public institutions or public  
9 health agencies, or welfare recipients.

10 (b) Personal information in files maintained for employees,  
11 appointees, or elected officials of any public agency to the extent  
12 that disclosure would violate their right to privacy.

13 (c) Information required of any taxpayer in connection with the  
14 assessment or collection of any tax if the disclosure of the  
15 information to other persons would (i) be prohibited to such persons by  
16 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result  
17 in unfair competitive disadvantage to the taxpayer.

18 (d) Specific intelligence information and specific investigative  
19 records compiled by investigative, law enforcement, and penology  
20 agencies, and state agencies vested with the responsibility to  
21 discipline members of any profession, the nondisclosure of which is  
22 essential to effective law enforcement or for the protection of any  
23 person's right to privacy.

24 (e) Information revealing the identity of persons who are witnesses  
25 to or victims of crime or who file complaints with investigative, law  
26 enforcement, or penology agencies, other than the public disclosure  
27 commission, if disclosure would endanger any person's life, physical  
28 safety, or property. If at the time a complaint is filed the  
29 complainant, victim or witness indicates a desire for disclosure or  
30 nondisclosure, such desire shall govern. However, all complaints filed  
31 with the public disclosure commission about any elected official or  
32 candidate for public office must be made in writing and signed by the  
33 complainant under oath.

34 (f) Test questions, scoring keys, and other examination data used  
35 to administer a license, employment, or academic examination.

36 (g) Except as provided by chapter 8.26 RCW, the contents of real  
37 estate appraisals, made for or by any agency relative to the  
38 acquisition or sale of property, until the project or prospective sale



1 is abandoned or until such time as all of the property has been  
2 acquired or the property to which the sale appraisal relates is sold,  
3 but in no event shall disclosure be denied for more than three years  
4 after the appraisal.

5 (h) Valuable formulae, designs, drawings, and research data  
6 obtained by any agency within five years of the request for disclosure  
7 when disclosure would produce private gain and public loss.

8 (i) Preliminary drafts, notes, recommendations, and intra-agency  
9 memorandums in which opinions are expressed or policies formulated or  
10 recommended except that a specific record shall not be exempt when  
11 publicly cited by an agency in connection with any agency action.

12 (j) Records which are relevant to a controversy to which an agency  
13 is a party but which records would not be available to another party  
14 under the rules of pretrial discovery for causes pending in the  
15 superior courts.

16 (k) Records, maps, or other information identifying the location of  
17 archaeological sites in order to avoid the looting or depredation of  
18 such sites.

19 (l) Any library record, the primary purpose of which is to maintain  
20 control of library materials, or to gain access to information, which  
21 discloses or could be used to disclose the identity of a library user.

22 (m) Financial information supplied by or on behalf of a person,  
23 firm, or corporation for the purpose of qualifying to submit a bid or  
24 proposal for (i) a ferry system construction or repair contract as  
25 required by RCW 47.60.680 through 47.60.750 or (ii) highway  
26 construction or improvement as required by RCW 47.28.070.

27 (n) Railroad company contracts filed prior to July 28, 1991, with  
28 the utilities and transportation commission under RCW 81.34.070, except  
29 that the summaries of the contracts are open to public inspection and  
30 copying as otherwise provided by this chapter.

31 (o) Financial and commercial information and records supplied by  
32 private persons pertaining to export services provided pursuant to  
33 chapter 43.163 RCW and chapter 53.31 RCW.

34 (p) Financial disclosures filed by private vocational schools under  
35 chapter 28C.10 RCW.

36 (q) Records filed with the utilities and transportation commission  
37 or attorney general under RCW 80.04.095 that a court has determined are  
38 confidential under RCW 80.04.095.

1 (r) Financial and commercial information and records supplied by  
2 businesses or individuals during application for loans or program  
3 services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW,  
4 or during application for economic development loans or program  
5 services provided by any local agency.

6 (s) Membership lists or lists of members or owners of interests of  
7 units in timeshare projects, subdivisions, camping resorts,  
8 condominiums, land developments, or common-interest communities  
9 affiliated with such projects, regulated by the department of  
10 licensing, in the files or possession of the department.

11 (t) All applications for public employment, including the names of  
12 applicants, resumes, and other related materials submitted with respect  
13 to an applicant.

14 (u) The residential addresses and residential telephone numbers of  
15 employees or volunteers of a public agency which are held by the agency  
16 in personnel records, employment or volunteer rosters, or mailing lists  
17 of employees or volunteers.

18 (v) The residential addresses and residential telephone numbers of  
19 the customers of a public utility contained in the records or lists  
20 held by the public utility of which they are customers.

21 (w)(i) The federal social security number of individuals governed  
22 under chapter 18.130 RCW maintained in the files of the department of  
23 health, except this exemption does not apply to requests made directly  
24 to the department from federal, state, and local agencies of  
25 government, and national and state licensing, credentialing,  
26 investigatory, disciplinary, and examination organizations; (ii) the  
27 current residential address and current residential telephone number of  
28 a health care provider governed under chapter 18.130 RCW maintained in  
29 the files of the department, if the provider requests that this  
30 information be withheld from public inspection and copying, and  
31 provides to the department an accurate alternate or business address  
32 and business telephone number. On or after January 1, 1995, the  
33 current residential address and residential telephone number of a  
34 health care provider governed under RCW 18.130.140 maintained in the  
35 files of the department shall automatically be withheld from public  
36 inspection and copying if the provider has provided the department with  
37 an accurate alternative or business address and telephone number.

38 (x) Information obtained by the board of pharmacy as provided in  
39 RCW 69.45.090.

1 (y) Information obtained by the board of pharmacy or the department  
2 of health and its representatives as provided in RCW 69.41.044,  
3 69.41.280, and 18.64.420.

4 (z) Financial information, business plans, examination reports, and  
5 any information produced or obtained in evaluating or examining a  
6 business and industrial development corporation organized or seeking  
7 certification under chapter 31.24 RCW.

8 (aa) Financial and commercial information supplied to the state  
9 investment board by any person when the information relates to the  
10 investment of public trust or retirement funds and when disclosure  
11 would result in loss to such funds or in private loss to the providers  
12 of this information.

13 (bb) Financial and valuable trade information under RCW 51.36.120.

14 (cc) Client records maintained by an agency that is a domestic  
15 violence program as defined in RCW 70.123.020 or 70.123.075 or a rape  
16 crisis center as defined in RCW 70.125.030.

17 (dd) Information that identifies a person who, while an agency  
18 employee: (i) Seeks advice, under an informal process established by  
19 the employing agency, in order to ascertain his or her rights in  
20 connection with a possible unfair practice under chapter 49.60 RCW  
21 against the person; and (ii) requests his or her identity or any  
22 identifying information not be disclosed.

23 (ee) Investigative records compiled by an employing agency  
24 conducting a current investigation of a possible unfair practice under  
25 chapter 49.60 RCW or of a possible violation of other federal, state,  
26 or local laws prohibiting discrimination in employment.

27 (ff) Business related information protected from public inspection  
28 and copying under RCW 15.86.110.

29 (gg) Financial, commercial, operations, and technical and research  
30 information and data submitted to or obtained by the clean Washington  
31 center in applications for, or delivery of, program services under  
32 chapter 70.95H RCW.

33 (hh) Information and documents created specifically for, and  
34 collected and maintained by a quality improvement committee pursuant to  
35 RCW 43.70.510, regardless of which agency is in possession of the  
36 information and documents.

37 (ii) Personal information in files maintained in a data base  
38 created under section 301 of this act.

1 (2) Except for information described in subsection (1)(c)(i) of  
2 this section and confidential income data exempted from public  
3 inspection pursuant to RCW 84.40.020, the exemptions of this section  
4 are inapplicable to the extent that information, the disclosure of  
5 which would violate personal privacy or vital governmental interests,  
6 can be deleted from the specific records sought. No exemption may be  
7 construed to permit the nondisclosure of statistical information not  
8 descriptive of any readily identifiable person or persons.

9 (3) Inspection or copying of any specific records exempt under the  
10 provisions of this section may be permitted if the superior court in  
11 the county in which the record is maintained finds, after a hearing  
12 with notice thereof to every person in interest and the agency, that  
13 the exemption of such records is clearly unnecessary to protect any  
14 individual's right of privacy or any vital governmental function.

15 (4) Agency responses refusing, in whole or in part, inspection of  
16 any public record shall include a statement of the specific exemption  
17 authorizing the withholding of the record (or part) and a brief  
18 explanation of how the exemption applies to the record withheld.

19 NEW SECTION. **Sec. 303.** The department of community, trade, and  
20 economic development, in consultation with the office of protocol, the  
21 office of the secretary of state, the department of agriculture, and  
22 the employment security department shall identify up to fifteen  
23 countries that are of strategic importance to the development of  
24 Washington's international trade relations.

25 **PART IV - INTERNATIONAL STUDENT EXCHANGES AND INTERNSHIPS**

26 NEW SECTION. **Sec. 401.** Unless the context clearly requires  
27 otherwise, the definitions in this section apply throughout this  
28 chapter.

29 (1) "Board" means the higher education coordinating board.

30 (2) "Eligible participant" means an international student whose  
31 country of residence has a trade relationship with the state of  
32 Washington.

33 (3) "Institution of higher education" or "institution" means a  
34 college or university in the state of Washington that is accredited by  
35 an accrediting association recognized as such by rule of the board.

1 (4) "Service obligation" means volunteering for a minimum number of  
2 hours as established by the board based on the amount of scholarship  
3 award, to speak to or teach groups of Washington citizens, including  
4 but not limited to elementary, middle, and high schools, service clubs,  
5 and universities.

6 (5) "Washington international exchange scholarship program" means  
7 a scholarship award for a period not to exceed one academic year to  
8 attend a Washington institution of higher education made to an  
9 international student whose country has an established trade  
10 relationship with Washington.

11 NEW SECTION. **Sec. 402.** The Washington international exchange  
12 scholarship program is created subject to funding under section 406 of  
13 this act. The program shall be administered by the board. In  
14 administering the program, the board may:

15 (1) Convene an advisory committee that may include but need not be  
16 limited to representatives of the office of the superintendent of  
17 public instruction, the department of community, trade, and economic  
18 development, the secretary of state, private business, and institutions  
19 of higher education;

20 (2) Select students to receive the scholarship with the assistance  
21 of a screening committee composed of leaders in business, international  
22 trade, and education;

23 (3) Adopt necessary rules and guidelines including rules for  
24 disbursing scholarship funds to participants;

25 (4) Publicize the program;

26 (5) Solicit and accept grants and donations from public and private  
27 sources for the program;

28 (6) Establish and notify participants of service obligations; and

29 (7) Establish a formula for selecting the countries from which  
30 participants may be selected in consultation with the department of  
31 community, trade, and economic development.

32 NEW SECTION. **Sec. 403.** The board may negotiate and enter into a  
33 reciprocal agreement with foreign countries that have international  
34 students attending institutions in Washington. The goal of the  
35 reciprocal agreements shall be to allow Washington students enrolled in  
36 an institution of higher education to attend an international  
37 institution under similar terms and conditions.

1        NEW SECTION.    **Sec. 404.**    If funds are available, the board shall  
2 select students yearly to receive a Washington international exchange  
3 student scholarship from moneys earned from the Washington  
4 international exchange scholarship endowment fund created in section  
5 406 of this act, from funds appropriated to the board for this purpose,  
6 or from any private donations, or from any other funds given to the  
7 board for this program.

8        NEW SECTION.    **Sec. 405.**    The Washington international exchange  
9 trust fund is established in the custody of the state treasurer. Any  
10 funds appropriated by the legislature for the trust fund shall be  
11 deposited into the fund. At the request of the board, and when  
12 conditions set forth in section 407 of this act are met, the treasurer  
13 shall deposit state matching moneys from the Washington international  
14 exchange trust fund into the Washington international exchange  
15 scholarship endowment fund. No appropriation is required for  
16 expenditures from the trust fund.

17        NEW SECTION.    **Sec. 406.**    The Washington international exchange  
18 scholarship endowment fund is established in the custody of the state  
19 treasurer. Moneys received from the private donations and funds  
20 received from any other source may be deposited into the endowment  
21 fund. At the request of the board, the treasurer shall release  
22 earnings from the endowment fund to the board for scholarships. No  
23 appropriation is required for expenditures from the endowment fund.  
24 The principal of the endowment fund shall not be invaded. The earnings  
25 on the fund shall be used solely for the purposes in this chapter.

26        NEW SECTION.    **Sec. 407.**    The board may request that the treasurer  
27 deposit state matching funds into the Washington international exchange  
28 scholarship endowment fund when the board can match the state funds  
29 with an equal amount of private cash donations, including conditional  
30 gifts.

31        NEW SECTION.    **Sec. 408.**    Each Washington international exchange  
32 scholarship recipient shall agree to complete the service obligation as  
33 defined by the board.

1       **Sec. 409.** RCW 43.79A.040 and 1995 c 394 s 2 and 1995 c 365 s 1 are  
2 each reenacted and amended to read as follows:

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

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

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

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

21       (b) The following accounts and funds shall receive their  
22 proportionate share of earnings based upon each account's or fund's  
23 average daily balance for the period: The agricultural local fund, the  
24 American Indian scholarship endowment fund, the Washington  
25 international exchange scholarship endowment fund, the energy account,  
26 the fair fund, the game farm alternative account, the grain inspection  
27 revolving fund, the rural rehabilitation account, and the self-  
28 insurance revolving fund. However, the earnings to be distributed  
29 shall first be reduced by the allocation to the state treasurer's  
30 service fund pursuant to RCW 43.08.190.

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

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





1        NEW SECTION.     **Sec. 505.**     Part headings as used in this act  
2 constitute no part of the law.

      Passed the House March 2, 1996.

      Passed the Senate February 29, 1996.

      Approved by the Governor March 29, 1996, with the exception of  
          certain items that were vetoed.

      Filed in Office of Secretary of State March 29, 1996.

1        Note: Governor's explanation of partial veto is as follows:

2        "I am returning herewith, without my approval as to sections 101,  
3 102, 103, 104, and 410, House Bill No. 2291 entitled:

4        "AN ACT Relating to international, educational, cultural, and  
5 business exchanges;"

6        House Bill No. 2291 establishes a number of initiatives to develop  
7 and to support international educational and cultural exchanges with  
8 countries that trade with Washington State. These include an  
9 international trading partners program, an international contact data  
10 base, and an international exchange scholarship program.

11        The concept of building better international relationships through  
12 increased educational and cultural exchanges is a thoughtful one. It  
13 draws on American international experience in building relationships  
14 with Europe after World War II and with Eastern Europe at the end of  
15 the Cold War. Building better cultural and educational relationships  
16 is also a thoughtful way to build stronger trade relationships over  
17 time and well worth state time and effort to promote.

18        Sections 101 through 104, and section 410 of House Bill No. 2291  
19 also establish two new legislatively-mandated councils and committees.  
20 A new cultural exchange council is established in the Secretary of  
21 State's office, and a new international student internship council is  
22 created under the Higher Education Coordinating Board. Both of these  
23 agencies possess the independent capacity to establish advisory bodies  
24 and, I trust, will work to effectuate the goals of this legislation as  
25 they see fit. In line with my commitment to reduce the number of  
26 independent boards and commissions as one way to make state government  
27 smaller, I am vetoing the establishment of these two new councils in  
28 statute.

29        For this reason, I have vetoed sections 101, 102, 103, 104, and 410  
30 of House Bill No. 2291.

31        With the exception of sections 101, 102, 103, 104, and 410, House  
32 Bill No. 2291 is approved."