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HOUSE BILL 2355

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State of Washington                      59th Legislature                      2006 Regular Session

By Representatives Williams, Chase, Hunt, Dickerson and Green

Prefiled 12/21/2005.      Read first time 01/09/2006.      Referred to  
Committee on State Government Operations & Accountability.

1            AN ACT Relating to the combined fund drive; and adding new sections  
2 to chapter 41.04 RCW.

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

4            NEW SECTION.    **Sec. 1.** A new section is added to chapter 41.04 RCW  
5 to read as follows:

6            (1) The legislature finds that:

7            (a) The Washington state combined fund drive is a valuable asset to  
8 the people of the state of Washington, contributing to their health,  
9 education, and well-being;

10           (b) Charitable contributions by state employees and public agency  
11 retirees contribute significantly to the benefit of charities in  
12 Washington state and around the world;

13           (c) There is an increasing demand to support charities in  
14 Washington state and around the world;

15           (d) There are individuals and groups who desire to contribute to  
16 the continued vitality of the Washington state combined fund drive; and

17           (e) Providing a tax-deductible method for individuals and groups to  
18 contribute is an effective way of increasing available funds to the  
19 charities involved in the Washington state combined fund drive.

1 (2) It is in the public interest to create a nonprofit foundation  
2 to provide a method for individuals and groups to contribute to the  
3 support of the beneficiaries of the Washington state combined fund  
4 drive.

5 (3) The purpose of the Washington state combined fund drive  
6 foundation is to solicit support for the combined fund drive, cooperate  
7 with other organizations, and encourage gifts to support and reduce the  
8 administrative cost of the combined fund drive.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.04 RCW  
10 to read as follows:

11 The definitions in this section apply throughout this chapter  
12 unless the context clearly requires otherwise.

13 (1) "Foundation" means the Washington state combined fund drive  
14 foundation, created in section 3 of this act.

15 (2) "Combined fund drive committee" means the authorized group of  
16 individuals appointed by the governor to operate the Washington state  
17 combined fund drive.

18 (3) "Eligible grant recipients" includes any and all of the  
19 activities of the Washington state combined fund drive committee when  
20 operating the state combined fund drive.

21 (4) "Eligible projects" means any project, action, or part of any  
22 project or action that serves to provide a benefit to the recipients of  
23 the Washington state combined fund drive.

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.04 RCW  
25 to read as follows:

26 (1) By September 1, 2006, the combined fund drive committee shall  
27 file articles of incorporation in accordance with the Washington  
28 nonprofit corporation act, chapter 24.03 RCW, to establish the  
29 Washington state combined fund drive foundation. The foundation shall  
30 not be an agency, instrumentality, or political subdivision of the  
31 state and shall not disburse public funds.

32 (2) The Washington state combined fund drive committee and the  
33 combined fund drive program manager may provide administrative support  
34 to the Washington state combined fund drive foundation.

35 (3) The foundation must have a board of directors consisting of up  
36 to fifteen members. Initial members of the board shall be recommended

1 by the director of the department of personnel and the combined fund  
2 drive committee for appointment by the governor and collectively have  
3 experience in business, charitable giving, and fund-raising. Initial  
4 appointments must be made by September 30, 2006. Subsequent board  
5 members shall be elected by the general membership of the foundation.

6 (4) Members of the board serve three-year terms, except for the  
7 initial terms, which must be staggered by the governor to achieve a  
8 balanced mix of terms on the board. Members of the board may serve up  
9 to a maximum of three terms. At the end of a term, a member may  
10 continue to serve until a successor has been elected.

11 NEW SECTION. **Sec. 4.** A new section is added to chapter 41.04 RCW  
12 to read as follows:

13 (1) As soon as practicable, the board of directors shall organize  
14 themselves and the foundation suitably to carry out the duties of the  
15 foundation, including achieving federal tax status.

16 (2) The foundation shall actively solicit contributions from  
17 individuals and groups for the benefit of the beneficiaries of the  
18 combined fund drive.

19 (3) The foundation shall develop criteria for guiding themselves in  
20 either the creation of an endowment, or making of grants to the  
21 Washington state combined fund drive, or both.

22 NEW SECTION. **Sec. 5.** A new section is added to chapter 41.04 RCW  
23 to read as follows:

24 Money provided to the Washington state combined fund drive  
25 foundation may not be used to supplant preexisting funding sources.

26 NEW SECTION. **Sec. 6.** If any provision of this act or its  
27 application to any person or circumstance is held invalid, the  
28 remainder of the act or the application of the provision to other  
29 persons or circumstances is not affected.

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