CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1779

60th Legislature 2007 Regular Session

Passed by the House April 14, 2007 Yeas 72 Nays 21 Speaker of the House of Representatives Passed by the Senate April 5, 2007 Yeas 47 Nays 1	I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1779 as passed by the House of Representatives and the Senate on the dates hereon set forth.		
			Chief Clerk
		President of the Senate	
Approved	FILED		
	Secretary of State State of Washington		
Governor of the State of Washington			

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1779

AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

State of Washington

60th Legislature

2007 Regular Session

 $\mathbf{B}\mathbf{v}$ House Committee on Appropriations (originally sponsored by Representatives Wallace, Dunn, Haigh, Kenney, Hasegawa, B. Sullivan, McDermott, Takko, Roberts, P. Sullivan, Fromhold, Quall, Simpson, Lantz, Hudgins, Kagi, Santos, Ormsby and Morrell)

READ FIRST TIME 3/5/07.

- 1 AN ACT Relating to the GET ready for math and science scholarship
- amending RCW 28B.95.060; reenacting and amending 2 program;
- 3 43.79A.040; adding a new section to chapter 28B.95 RCW; and adding a
- new chapter to Title 28B RCW. 4

private partnership.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The GET ready for math and science 7 scholarship program is established. The purpose of the program is to 8 provide scholarships to students who achieve level four on the mathematics or science portions of the tenth grade Washington 9 10 assessment of student learning or achieve a score in the math section of the SAT or the math section of the ACT that is above the ninety-11 fifth percentile, major in a mathematics, science, or related field in 12 college, and commit to working in mathematics, science, or a related 13 14 field for at least three years in Washington following completion of their bachelor's degree. The program shall be administered by the 15 nonprofit organization selected as the private partner in the public-16
- (2) The total annual amount of each GET ready for math and science 18 19 scholarship may vary, but shall not exceed the annual cost of resident

- undergraduate tuition fees and mandatory fees at the University of Washington. An eliqible recipient may receive a GET ready for math and
- Washington. An eligible recipient may receive a GET ready for math and science scholarship for up to one hundred eighty quarter credits, or
- 4 the semester equivalent, or for up to five years, whichever comes
- 5 first.

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- 6 (3) Scholarships shall be awarded only to the extent that state 7 funds and private matching funds are available for that purpose in the 8 GET ready for math and science account established in section 11 of 9 this act.
- 10 <u>NEW SECTION.</u> **Sec. 2.** The definitions in this section apply 11 throughout this chapter unless the context clearly requires otherwise.
 - (1) "Board" means the higher education coordinating board.
- 13 (2) "GET units" means tuition units under the advanced college 14 tuition payment program in chapter 28B.95 RCW.
- 15 (3) "Institution of higher education" has the same meaning as in 16 RCW 28B.92.030.
- 17 (4) "Program administrator" means the private nonprofit corporation 18 that is registered under Title 24 RCW and qualified as a tax-exempt 19 entity under section 501(c)(3) of the federal internal revenue code, 20 that will serve as the private partner in the public-private 21 partnership under this chapter.
 - (5) "Qualified program" or "qualified major" means a mathematics, science, or related degree program or major line of study offered by an institution of higher education that is included on the list of programs or majors selected by the board and the program administrator under section 10 of this act.
- NEW SECTION. Sec. 3. (1) An eligible student is a student who:
- 28 (a) Is eligible for resident tuition and fee rates as defined in 29 RCW 28B.15.012;
- 30 (b) Achieved level four on the mathematics or science portion of 31 the tenth grade Washington assessment of student learning or achieved 32 a score in the math section of the SAT or the math section of the ACT 33 that is above the ninety-fifth percentile;
- 34 (c) Has a family income at or below one hundred twenty-five percent 35 of the state median family income at the time the student applies for

- 1 a GET ready for math and science scholarship and for up to the two 2 previous years;
 - (d) Has declared an intention to complete a qualified program or qualified major or has entered a qualified program or declared a qualified major at an institution of higher education;
 - (e) Has declared an intention to work in a mathematics, science, or related field in Washington for at least three years immediately following completion of a bachelor's degree or higher degree.
 - (2) An eligible recipient is an eligible student who:

- (a) Has been awarded a scholarship in accordance with the selection criteria and process established by the board and the program administrator;
- (b) Enrolls at an institution of higher education within one year of graduating from high school;
 - (c) Maintains satisfactory academic progress, as defined by the institution of higher education where the student is enrolled;
 - (d) Takes at least one college-level mathematics or science course each term since enrolling in an institution of higher education; and
 - (e) Enters a qualified program or qualified major no later than the end of the first term in which the student has junior level standing.
 - NEW SECTION. Sec. 4. (1) If the student enrolls in a qualified program or declares a qualified major and the program or major is subsequently removed from the list of qualified programs and qualified majors by the board and the program administrator, the student's eligibility to receive a GET ready for math and science scholarship shall not be affected.
 - (2) If a student who received a GET ready for math and science scholarship ceases to be enrolled in an institution of higher education, withdraws or is no longer enrolled in a qualified program, declares a major that is not a qualified major, or otherwise is no longer eligible to receive a GET ready for math and science scholarship, the student shall notify the program administrator as soon as practicable and is not eligible for further GET ready for math and science scholarship awards. Such a student shall also repay the amount of the GET ready for math and science scholarship awarded to the student as required by section 5 of this act.

- NEW SECTION. Sec. 5. (1) A recipient of a GET ready for math and science scholarship incurs an obligation to repay the scholarship, with interest and an equalization fee, if he or she does not:
- (a) Graduate with a bachelor's degree from a qualified program or in a qualified major within five years of first enrolling at an institution of higher education; and
- (b) Work in Washington in a mathematics, science, or related occupation full time for at least three years following completion of a bachelor's degree, unless he or she is enrolled in a graduate degree program as provided in subsection (4) of this section.
- (2) A former scholarship recipient who has earned a bachelor's degree shall annually verify to the board that he or she is working full time in a mathematics, science, or related field for three years.
- (3) If a former scholarship recipient begins but then stops working full time in a mathematics, science, or related field within three years following completion of a bachelor's degree, he or she shall pay back a prorated portion of the amount of the GET ready for math and science scholarship award received by the recipient, plus interest and a prorated equalization fee.
- (4) A recipient may postpone for up to three years his or her instate work obligation if he or she enrolls full time in a graduate degree program in mathematics, science, or a related field.
- NEW SECTION. Sec. 6. The office of the superintendent of public instruction shall:
 - (1) Notify elementary, middle, junior high, high school, and school district staff and administrators, and the children's administration of the department of social and health services about the GET ready for math and science scholarship program using methods in place for communicating with schools and school districts; and
 - (2) Provide data showing the race, ethnicity, income, and other available demographic information of students who achieve level four of the math and science Washington assessment of student learning in the tenth grade. Compare those data with comparable information on the tenth grade student population as a whole. Submit a report with the analysis to the committees responsible for education and higher education in the legislature on December 1st of even-numbered years.

1 NEW SECTION. Sec. 7. The board shall:

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- (1) Purchase GET units to be owned and held in trust by the board, for the purpose of scholarship awards as provided for in this section;
- (2) Distribute scholarship funds, in the form of GET units or through direct payments from the GET ready for math and science scholarship account, to institutions of higher education on behalf of eligible recipients identified by the program administrator;
- (3) Provide the program administrator with annual reports regarding enrollment, contact, and graduation information of GET ready for math and science scholarship recipients, if the recipients have given permission for the board to do so;
- (4) Collect repayments from former scholarship recipients who do not meet the eligibility criteria or work obligations;
- (5) Establish rules for scholarship repayment, approved leaves of absence, deferments, and exceptions to recognize extenuating circumstances that may impact students; and
- 17 (6) Provide information to school districts in Washington, at least 18 once per year, about the GET ready for math and science scholarship 19 program.

20 <u>NEW SECTION.</u> **Sec. 8.** School districts shall:

- (1) Notify parents, teachers, counselors, and principals about the GET ready for math and science scholarship program through existing channels. Notification methods may include, but are not limited to, regular school district and building communications, online scholarship bulletins and announcements, notices posted on school walls and bulletin boards, information available in each counselor's office, and school or district scholarship information sessions.
- (2) Provide each student who achieves level four on the mathematics or science high school Washington assessment of student learning with information regarding the scholarship program and how to contact the program administrator.

32 <u>NEW SECTION.</u> **Sec. 9.** The program administrator shall:

33 (1) Solicit and accept grants and donations from private sources to 34 match state funds appropriated for the GET ready for math and science 35 scholarship program;

- 1 (2) Develop and implement an application, selection, and 2 notification process for awarding GET ready for math and science 3 scholarships;
 - (3) Notify institutions of higher education of scholarship recipients who will attend their institutions and inform them of the terms of the students' eligibility; and
 - (4) Report to private donors on the program outcomes and facilitate contact between scholarship recipients and donors, if the recipients have given the program administrator permission to do so, in order for donors to offer employment opportunities, internships, and career information to recipients.
- NEW SECTION. Sec. 10. The board and the program administrator shall jointly:
 - (1) Determine criteria for qualifying undergraduate programs, majors, and courses leading to a bachelor's degree in mathematics, science, or a related field, offered by institutions of higher education. The board shall publish the criteria for qualified courses, and lists of qualified programs and qualified majors on its web site on a biennial basis; and
- (2) Establish criteria for selecting among eligible applicants those who, without scholarship assistance, would be least likely to pursue a qualified undergraduate program at an institution of higher education in Washington state.
- NEW SECTION. Sec. 11. (1) The GET ready for math and science scholarship account is created in the custody of the state treasurer.
 - (2) The board shall deposit into the account all money received for the GET ready for math and science scholarship program from appropriations and private sources. The account shall be self-sustaining.
 - (3) Expenditures from the account shall be used for scholarships to eligible students and for purchases of GET units. Purchased GET units shall be owned and held in trust by the board. Expenditures from the account shall be an equal match of state appropriations and private funds raised by the program administrator.
- 35 (4) With the exception of the operating costs associated with the

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- management of the account by the treasurer's office as authorized in chapter 43.79A RCW, the account shall be credited with all investment income earned by the account.
 - (5) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.

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- 6 (6) Disbursements from the account shall be made only on the authorization of the board.
- 8 <u>NEW SECTION.</u> **Sec. 12.** A new section is added to chapter 28B.95 9 RCW to read as follows:
- Ownership of tuition units purchased by the higher education coordinating board for the GET ready for math and science scholarship program under section 7 of this act shall be in the name of the state of Washington and may be redeemed by the state of Washington on behalf of recipients of GET ready for math and science scholarship program scholarships for tuition and fees.
- 16 **Sec. 13.** RCW 28B.95.060 and 2000 c 14 s 5 are each amended to read 17 as follows:
 - (1) The Washington advanced college tuition payment program account is created in the custody of the state treasurer. The account shall be a discrete nontreasury account retaining its interest earnings in accordance with RCW 43.79A.040.
 - (2)(a) Except as provided in (b) of this subsection, the governing body shall deposit in the account all money received for the program. The account shall be self-sustaining and consist of payments received from purchasers of tuition units and funds received from other sources, public or private. With the exception of investment and operating costs associated with the investment of money by the investment board paid under RCW 43.33A.160 and 43.84.160, the account shall be credited with all investment income earned by the account. Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW. Money used for program administration is subject to the allotment of all expenditures. However, an appropriation is not required for such expenditures. Program administration shall include, but not be limited to: The salaries and expenses of the program personnel including lease payments, travel, and goods and services

necessary for program operation; contracts for program promotion and advertisement, audits, and account management; and other general costs of conducting the business of the program.

- (b) All money received by the program from the higher education coordinating board for the GET ready for math and science scholarship program shall be deposited in the GET ready for math and science scholarship account created in section 11 of this act.
- (3) The assets of the account may be spent without appropriation for the purpose of making payments to institutions of higher education on behalf of the qualified beneficiaries, making refunds, transfers, or direct payments upon the termination of the Washington advanced college tuition payment program. Disbursements from the account shall be made only on the authorization of the governing body.
- (4) With regard to the assets of the account, the state acts in a fiduciary, not ownership, capacity. Therefore the assets of the program are not considered state money, common cash, or revenue to the state.
- **Sec. 14.** RCW 43.79A.040 and 2006 c 311 s 21 and 2006 c 120 s 2 are each reenacted and amended to read as follows:
 - (1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury.
 - (2) All income received from investment of the treasurer's trust fund shall be set aside in an account in the treasury trust fund to be known as the investment income account.
 - (3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of 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.

The following accounts and funds shall receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise scholarship account, the college savings program account, the Washington advanced college tuition payment program account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the students with dependents grant account, the basic health plan self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the Washington international exchange scholarship endowment fund, the developmental disabilities endowment trust fund, the energy account, the fair fund, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the grain inspection revolving fund, the juvenile accountability incentive account, the law enforcement officers' and fire fighters' plan 2 expense fund, the local tourism promotion account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the sulfur dioxide abatement account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account (earnings from the Washington horse racing commission operating account must be credited to the Washington horse racing commission class C purse fund account), the life sciences discovery fund, and the reading achievement account. However, the earnings to be distributed shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

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(c) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right of way revolving fund, the advanced environmental mitigation revolving account, the city and county advance right-of-way revolving fund, the

- federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.
- 4 (5) In conformance with Article II, section 37 of the state 5 Constitution, no trust accounts or funds shall be allocated earnings 6 without the specific affirmative directive of this section.
- NEW SECTION. Sec. 15. Sections 1 through 11 of this act constitute a new chapter in Title 28B RCW.

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