CERTIFICATION OF ENROLLMENT

SENATE BILL 6187

Chapter 208, Laws of 2008

60th Legislature
2008 Regular Session

VETERINARIANS--FOOD ANIMAL--SCHOLARSHIPS

EFFECTIVE DATE: 06/12/08

Passed by the Senate March 8, 2008
YEAS 46  NAYS 0

BRAD OWEN
President of the Senate

Passed by the House March 6, 2008
YEAS 94  NAYS 0

FRANK CHOPP
Speaker of the House of Representatives

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is SENATE BILL 6187 as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN
Secretary

Approved March 27, 2008, 4:30 p.m.

FILED
March 28, 2008

CHRISTINE GREGOIRE
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to conditional scholarships for food animal veterinarians; reenacting and amending RCW 43.79A.040; adding a new chapter to Title 28B RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature finds that there is a critical shortage of food animal veterinarians particularly in rural areas of the state. The legislature finds that among the factors contributing to this shortage is the need to repay student loans that are taken out to pay for an extensive and high-cost education. To pay these student loans, licensed graduates currently find it necessary to take higher paying positions that provide service to companion and small animals.

The legislature finds that the livestock industry provides a critical component of the food supply. Providing adequate animal health and disease diagnostic services is of high importance not only to protect animal health, but also for the protection of our food supply, the protection of public health from potential effects of contagious diseases, and to provide an essential disease detection and response capability.
The legislature intends to increase the supply of food animal veterinarians by providing incentives to graduates of Washington State University college of veterinary medicine to focus on food animal health services to address this critical shortage.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "College" means the Washington State University college of veterinary medicine.

(2) "Conditional scholarship" means a loan that is forgiven in whole or in part if the recipient renders service as a food animal veterinarian in this state.

(3) "Eligible student" means a student who is registered for at least six credit hours or the equivalent, is making satisfactory academic progress as defined by the college, has declared veterinary medicine for his or her major, and has a declared intention to practice veterinary medicine with an emphasis in food animal medicine in the state of Washington.

(4) "Food animal" means any species commonly recognized as livestock including, but not limited to, poultry, cattle, swine, and sheep.

(5) "Food animal veterinarian" means a veterinarian licensed and registered under chapter 18.92 RCW and engaged in general and food animal practice as a primary specialty, who has at least fifty percent of his or her practice time devoted to large production animal veterinary practice.

(6) "Forgiven" or "to forgive" or "forgiveness" means to practice veterinary medicine with an emphasis in food animal medicine in the state of Washington in lieu of monetary repayment.

(7) "Participant" means an eligible student who has received a conditional scholarship under this chapter.

(8) "Satisfied" means paid-in-full.

(9) "University" means Washington State University.

NEW SECTION. Sec. 3. The food animal veterinarian conditional scholarship program is established. The program shall be administered by the university. In administering the program, the university has the following powers and duties:
(1) To select, in consultation with the college, up to two students each year to receive conditional scholarships;
(2) To adopt necessary rules and guidelines;
(3) To publicize the program;
(4) To collect and manage repayments from students who do not meet their obligations under this chapter; and
(5) To solicit and accept grants and donations from public and private sources for the program.

NEW SECTION. Sec. 4. (1) The university shall select participants based on an application process conducted by the university.
(2) The university shall establish a selection committee for screening and selecting recipients of the conditional scholarships. The selection committee shall include at least two representatives from the college, at least one of whom is a faculty member teaching in food animal veterinary medicine, and at least one representative from the beef, dairy, or sheep industry.
(3) The selection criteria shall emphasize factors demonstrating a sustained interest in food animals and serving the needs of Washington's agricultural communities. The criteria shall also take into account the need for food animal veterinarians in diverse areas of the state and allocate funds in a manner designed to represent a cross-section of geographic locations.

NEW SECTION. Sec. 5. To remain an eligible student and receive continuing disbursements under the program, a participant must be considered by the college to be making satisfactory academic progress.

NEW SECTION. Sec. 6. The university may award conditional scholarships to eligible students from the funds appropriated to the university for this purpose, or from any private donations, or any other funds given to the university for this program. The amount of the conditional scholarship awarded an individual may not exceed the amount of resident tuition and fees at the college, as well as the cost of room, board, laboratory fees and supplies, and books, incurred by an eligible student and approved by a financial aid administrator at the university. Participants are eligible to receive conditional scholarships for a maximum of five years.
NEW SECTION.  Sec. 7. (1) A participant in the conditional scholarship program incurs an obligation to repay the conditional scholarship, with interest, unless he or she is employed as a food animal veterinarian in Washington state for each year of scholarship received, under rules adopted by the university.

(2) The interest rate shall be determined annually by the university.

(3) The minimum payment shall be set by the university. The maximum period for repayment is ten years, with payments of principal and interest accruing quarterly commencing six months from the date the participant completes or discontinues the course of study, including any internship or residency in food animal medicine and surgery. Provisions for deferral of payment shall be determined by the university.

(4) The entire principal and interest of each payment shall be forgiven for each payment period in which the participant is employed as a food animal veterinarian in this state until the entire repayment obligation is satisfied. Should the participant cease to be employed as a food animal veterinarian in this state before the participant's repayment obligation is completed, payments on the unsatisfied portion of the principal and interest shall begin the next payment period and continue until the remainder of the participant's repayment obligation is satisfied.

(5) The university is responsible for collection of repayments made under this section and shall exercise due diligence in such collection, maintaining all necessary records to ensure that maximum repayments are made. Collection and servicing of repayments under this section shall be pursued using the full extent of the law, including wage garnishment if necessary. The university is responsible to forgive all or parts of such repayments under the criteria established in this section and shall maintain all necessary records of forgiven payments.

(6) Receipts from the payment of principal or interest or any other subsidies to which the university as administrator is entitled, that are paid by or on behalf of participants under this section, shall be deposited in the food animal veterinarian conditional scholarship account and shall be used to cover the costs of granting the conditional scholarships, maintaining necessary records, and making collections under subsection (5) of this section. The university shall
maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to grant conditional scholarships to eligible students.

(7) The university shall adopt rules to define the terms of repayment, including applicable interest rates, fees, and deferments.

NEW SECTION. Sec. 8. (1) The food animal veterinarian conditional scholarship account is created in the custody of the state treasurer. No appropriation is required for expenditures of funds from the account. The account is not subject to allotment procedures under chapter 43.88 RCW except for moneys used for program administration.

(2) The university shall deposit into the account all moneys received for the program. The account shall be self-sustaining and consist of funds appropriated by the legislature for the food animal veterinarian conditional scholarship program, private contributions to the program, and receipts from participant repayments.

(3) Expenditures from the account may be used solely for conditional scholarships to participants in the program established by this chapter and costs associated with program administration by the university.

(4) Disbursements from the account may be made only on the authorization of the university.

Sec. 9. RCW 43.79A.040 and 2007 c 523 s 5, 2007 c 357 s 21, and 2007 c 214 s 14 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.

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

(b) 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 family leave insurance account, the food animal veterinarian conditional scholarship account, 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, the Washington state heritage center account, 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.

(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.

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

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

NEW SECTION. Sec. 11. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2008, in the omnibus appropriations act, this act is null and void.

Passed by the Senate March 8, 2008.
Passed by the House March 6, 2008.
Approved by the Governor March 27, 2008.
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