
SUBSTITUTE HOUSE BILL 1399

State of Washington

68th Legislature

2023 Regular Session

By House Postsecondary Education & Workforce (originally sponsored by Representatives Lekanoff, Slatter, Taylor, Simmons, Berry, Ramel, Fosse, Macri, Pollet, Reed, Doglio, Davis, and Santos)

READ FIRST TIME 02/06/23.

1 AN ACT Relating to establishing a Native American scholarship
2 program; reenacting and amending RCW 43.79A.040; adding a new section
3 to chapter 28B.10 RCW; adding a new chapter to Title 28B RCW;
4 creating a new section; and providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that Native
7 American people have faced historical traumas that have had a lasting
8 impact in many facets of life, including educational attainment.
9 Historically, education was used as a reformation tactic to strip
10 away Native identity and culture to whitewash the indigenous
11 population and destroy a nations own first people by separating
12 Native children from their families. The legislature acknowledges the
13 historical use of education as a weapon and the opportunity to
14 partner with federally recognized Indian tribes to establish truth
15 and reconciliation regarding boarding school traumas in order to
16 facilitate change and remove stigmas of how Native Americans view
17 education.

18 The legislature also recognizes that Native Americans are one of
19 the most underrepresented populations in Washington's universities
20 and colleges, and that this group has some of the lowest year-to-year
21 retention and degree attainment compared to other population groups.

1 Native Americans face additional challenges in attaining higher
2 education, such as high rates of poverty and lack of postsecondary
3 educational access near reservations. A national study on college
4 affordability for indigenous students found that 16 percent of
5 participants experienced homelessness during higher education, more
6 than a quarter experienced food insecurity, and 43 percent had a
7 household income less than \$20,000.

8 Therefore, the legislature identifies the need to recognize
9 historical truths and traumas and to reconcile these by reinvesting
10 in Native American survivors. One way to do this is to remove
11 financial barriers to postsecondary education for Native Americans.
12 The legislature embraces the opportunity to rectify wrongs by
13 investing in scholarships for members of federally recognized Indian
14 tribes that go beyond tuition expenses to recognize the total cost of
15 attendance. When the state invests in an educated Native workforce,
16 Native communities become more economically resilient, stronger,
17 healthier, and empowered. Robust Native communities help make a more
18 resilient and vigorous Washington state and contribute to alleviating
19 workforce demand by tapping into historically underutilized talent.
20 Therefore, the legislature intends to establish the Native American
21 scholarship program with the recognition that indigenous populations
22 need additional assistance to pursue postsecondary education because
23 of historical actions that have left lasting impacts.

24 This scholarship is offered to fulfill additional cost of
25 attendance needs that are not covered through other state financial
26 aid programs. To be eligible for state and federal financial aid,
27 students must complete a financial aid application such as the free
28 application for federal student aid or the Washington application for
29 state financial aid. These financial aid applications enable
30 institutions to determine eligibility for financial aid through
31 income, residence, and other relevant information. Washington's free
32 application for federal student aid completion ranking has
33 consistently been in the bottom five in the nation. Offering a
34 scholarship to members of federally recognized Indian tribes creates
35 an additional incentive for members to complete financial aid
36 applications, thereby increasing opportunities for other financial
37 aid programs and providing students with additional funds to attend
38 postsecondary education.

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

4 (1) "Eligible student" means a member of a federally recognized
5 Indian tribe located within the United States who files a financial
6 aid application approved by the office and enrolls in: (a) An
7 undergraduate degree program at an institution of higher education;
8 or (b) a registered apprenticeship program.

9 (2) "Gift aid" has the same definition as in RCW 28B.145.010.

10 (3) "Institution of higher education" includes the state
11 universities, the regional universities, the state college, and the
12 community and technical colleges as defined in RCW 28B.10.016.

13 (4) "Office" means the office of student financial assistance
14 within the student achievement council.

15 (5) "Registered apprenticeship program" means an approved
16 apprenticeship program under chapter 49.04 RCW that has been approved
17 to participate in state financial aid programs.

18 NEW SECTION. **Sec. 3.** (1) Subject to availability of amounts
19 appropriated for this specific purpose, the Native American
20 scholarship program is established and shall be administered by the
21 office. In administering the program, the office has the following
22 duties:

23 (a) Publicize the program;

24 (b) Award scholarships to eligible students according to rules
25 and guidelines adopted beginning with the 2023-24 academic year; and

26 (c) Adopt any necessary rules and guidelines for the program in
27 consultation with tribes, institutions of higher education, and
28 registered apprenticeship programs.

29 (2) The office shall determine scholarship awarding priorities
30 and award amounts for eligible students in collaboration with the
31 tribes, institutions of higher education, and registered
32 apprenticeship programs.

33 (a) For eligible students attending an undergraduate degree
34 program, the office shall prioritize a funding level equivalent to
35 in-state tuition and fee rates for eligible students, but that
36 students who have in-state tuition and fees covered by other gift aid
37 receive an award to help cover the cost of attendance expenses, such
38 as room and board, books and supplies, transportation, and other
39 living expenses.

1 (b) For eligible students attending a registered apprenticeship
2 program, the office shall prioritize funding to cover any tuition
3 costs for related supplemental instruction. Additional funding may be
4 used to provide a scholarship to cover required supplies, tools,
5 materials, work clothing, and living expenses.

6 (c) The office may also prioritize funding that secures an
7 eligible student's scholarship for the entire length of the student's
8 program.

9 (3) Eligible students may receive the scholarship for a maximum
10 of 150 percent of their time to degree or six years, whichever occurs
11 first.

12 (4) Eligible students need to maintain satisfactory academic
13 progress to remain eligible for the scholarship.

14 NEW SECTION. **Sec. 4.** The Native American scholarship account is
15 created in the custody of the state treasurer. All receipts for the
16 Native American scholarship program must be deposited in the account.
17 Expenditures from the account may be used only for the Native
18 American scholarship program. Only the director of the office or the
19 director's designee may authorize expenditures from the account. The
20 account is subject to the allotment procedures under chapter 43.88
21 RCW, but an appropriation is not required for expenditures.

22 NEW SECTION. **Sec. 5.** Institutions of higher education and
23 registered apprenticeship programs shall evaluate their existing
24 retention plan and support services for Native American students and
25 make improvements where necessary with tribal consultation.

26 NEW SECTION. **Sec. 6.** A new section is added to chapter 28B.10
27 RCW to read as follows:

28 Beginning with the 2023-24 academic year, institutions of higher
29 education shall add a place for a student to indicate that they are a
30 member of a federally recognized Indian tribe on their application
31 for admission form. Students who indicate that they are a member of a
32 federally recognized Indian tribe shall be asked to provide their
33 registration number for verification purposes.

34 NEW SECTION. **Sec. 7.** (1) The office of student financial
35 assistance shall submit annual reports to the governor and the
36 appropriate committees of the legislature in accordance with RCW

1 43.01.036 on the Native American scholarship program by December 1st
2 of each year until 2024. The report shall include:

3 (a) The total number of eligible students and the number of
4 eligible students who received a scholarship;

5 (b) How many eligible students received a scholarship for an
6 undergraduate program versus a registered apprenticeship program;

7 (c) The amount that the office determined the scholarship award
8 to be;

9 (d) How the office determined what the scholarship award should
10 be; and

11 (e) How many members of federally recognized Indian tribes in
12 Washington received scholarships versus members of federally
13 recognized Indian tribes from other states.

14 (2) This section expires December 31, 2024.

15 **Sec. 8.** RCW 43.79A.040 and 2022 c 244 s 3, 2022 c 206 s 8, 2022
16 c 183 s 16, and 2022 c 162 s 6 are each reenacted and amended to read
17 as follows:

18 (1) Money in the treasurer's trust fund may be deposited,
19 invested, and reinvested by the state treasurer in accordance with
20 RCW 43.84.080 in the same manner and to the same extent as if the
21 money were in the state treasury, and may be commingled with moneys
22 in the state treasury for cash management and cash balance purposes.

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

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

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

37 (b) The following accounts and funds must receive their
38 proportionate share of earnings based upon each account's or fund's
39 average daily balance for the period: The 24/7 sobriety account, the

1 Washington promise scholarship account, the Gina Grant Bull memorial
2 legislative page scholarship account, the Rosa Franklin legislative
3 internship program scholarship account, the Washington advanced
4 college tuition payment program account, the Washington college
5 savings program account, the accessible communities account, the
6 Washington achieving a better life experience program account, the
7 Washington career and college pathways innovation challenge program
8 account, the community and technical college innovation account, the
9 agricultural local fund, the American Indian scholarship endowment
10 fund, the Native American scholarship account, the behavioral health
11 loan repayment program account, the foster care scholarship endowment
12 fund, the foster care endowed scholarship trust fund, the contract
13 harvesting revolving account, the Washington state combined fund
14 drive account, the commemorative works account, the county
15 ((enhanced)) 911 excise tax account, the county road administration
16 board emergency loan account, the toll collection account, the
17 developmental disabilities endowment trust fund, the energy account,
18 the energy facility site evaluation council account, the fair fund,
19 the family and medical leave insurance account, the fish and wildlife
20 federal lands revolving account, the natural resources federal lands
21 revolving account, the food animal veterinarian conditional
22 scholarship account, the forest health revolving account, the fruit
23 and vegetable inspection account, the educator conditional
24 scholarship account, the game farm alternative account, the GET ready
25 for math and science scholarship account, the Washington global
26 health technologies and product development account, the grain
27 inspection revolving fund, the Washington history day account, the
28 industrial insurance rainy day fund, the juvenile accountability
29 incentive account, the law enforcement officers' and firefighters'
30 plan 2 expense fund, the local tourism promotion account, the low-
31 income home rehabilitation revolving loan program account, the
32 multiagency permitting team account, the northeast Washington wolf-
33 livestock management account, the produce railcar pool account, the
34 public use general aviation airport loan revolving account, the
35 regional transportation investment district account, the rural
36 rehabilitation account, the Washington sexual assault kit account,
37 the stadium and exhibition center account, the youth athletic
38 facility account, the self-insurance revolving fund, the children's
39 trust fund, the Washington horse racing commission Washington bred
40 owners' bonus fund and breeder awards account, the Washington horse

1 racing commission class C purse fund account, the individual
2 development account program account, the Washington horse racing
3 commission operating account, the life sciences discovery fund, the
4 Washington state library-archives building account, the reduced
5 cigarette ignition propensity account, the center for deaf and hard
6 of hearing youth account, the school for the blind account, the
7 Millersylvania park trust fund, the public employees' and retirees'
8 insurance reserve fund, the school employees' benefits board
9 insurance reserve fund, the public employees' and retirees' insurance
10 account, the school employees' insurance account, the long-term
11 services and supports trust account, the radiation perpetual
12 maintenance fund, the Indian health improvement reinvestment account,
13 the department of licensing tuition recovery trust fund, the student
14 achievement council tuition recovery trust fund, the tuition recovery
15 trust fund, the Washington student loan account, the industrial
16 insurance premium refund account, the mobile home park relocation
17 fund, the natural resources deposit fund, the Washington state health
18 insurance pool account, the federal forest revolving account, and the
19 library operations account.

20 (c) The following accounts and funds must receive 80 percent of
21 their proportionate share of earnings based upon each account's or
22 fund's average daily balance for the period: The advance right-of-way
23 revolving fund, the advanced environmental mitigation revolving
24 account, the federal narcotics asset forfeitures account, the high
25 occupancy vehicle account, the local rail service assistance account,
26 and the miscellaneous transportation programs account.

27 (d) Any state agency that has independent authority over accounts
28 or funds not statutorily required to be held in the custody of the
29 state treasurer that deposits funds into a fund or account in the
30 custody of the state treasurer pursuant to an agreement with the
31 office of the state treasurer shall receive its proportionate share
32 of earnings based upon each account's or fund's average daily balance
33 for the period.

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

1 NEW SECTION. **Sec. 9.** Sections 1 through 5 of this act
2 constitute a new chapter in Title 28B RCW.

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