

# FINAL BILL REPORT

## SHB 2294

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C 107 L 96

Synopsis as Enacted

**Brief Description:** Changing provisions relating to the state educational trust fund.

**Sponsors:** By House Committee on Higher Education (originally sponsored by Representatives Delvin and Carlson; by request of Higher Education Coordinating Board).

**House Committee on Higher Education**  
**House Committee on Appropriations**  
**Senate Committee on Higher Education**

**Background:** The State Educational Grant Account receives repayments from students whose eligibility for a state grant changes after the initial receipt of funds. The Higher Education Coordinating Board administers the account, but the board has no statutory authority to spend any of the funds.

The math and science teachers loan program is no longer operative, but the Higher Education Coordinating Board continues to receive loan repayments from prior students. The funds received by the board are deposited into an account for loan repayment.

**Summary:** The State Educational Grant Account is converted to a trust fund. The purpose of the trust is to provide college student assistance to needy or disadvantaged youth. Through this fund the state will offer "Early Promise" scholarships. The students must be identified as at risk of dropping out of secondary education, participate in early awareness and outreach programs, and enter a Washington institution of higher education within two years of graduating from high school.

The Higher Education Coordinating Board must deposit state grant repayments received after the biennium into the trust fund. The board will also deposit into the trust fund repayments received from the loan program for math and science teachers. Additionally, the board may deposit money from state, federal, and private sources. The board may expend up to 3 percent of the fund each year for administration of the fund. All earnings on the fund are credited to the fund.

**Votes on Final Passage:**

House	96	0
Senate	49	0

**Effective:** June 6, 1996