
HOUSE BILL 2302

State of Washington 54th Legislature 1996 Regular Session

By Representatives Carlson, Jacobsen, Mason and Patterson

Read first time 01/09/96. Referred to Committee on Higher Education.

1 AN ACT Relating to the Washington state student scholarship
2 partnership program; and adding a new chapter to Title 28B RCW.

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

4 NEW SECTION. **Sec. 1.** The Washington state student scholarship
5 partnership program is established. The purpose of the program is to
6 assist Washington's accredited public and independent colleges,
7 universities, and career schools to raise private funds to assist needy
8 and meritorious Washington residents attending in-state institutions of
9 higher education.

10 NEW SECTION. **Sec. 2.** Unless the context clearly requires
11 otherwise, the definitions in this section apply throughout this
12 chapter.

13 (1) "Eligible needy student" means a student who meets the
14 residency requirements of RCW 28B.15.012(2), as demonstrated in RCW
15 28B.15.013; who is needy, as defined in RCW 28B.10.802(3); who is
16 meritorious, as defined by the institution of higher education that the
17 student attends; and who is enrolled in an institution of higher
18 education.

1 (2) "Board" means the higher education coordinating board.

2 (3) "Institution of higher education" means a public or independent
3 institution of higher education or private career school, that is
4 located in the state of Washington, is accredited by an accrediting
5 association recognized by the board for the purposes of this program,
6 and is accepted by the board for participation in the program.

7 (4) "Foundation" means a private, nonprofit corporation that: (a)
8 Is registered under Title 24 RCW and qualifies as a tax-exempt entity
9 under section 501(c)(3) of the federal internal revenue code; (b)
10 exists solely for the benefit of one or more institutions of higher
11 education; and (c) is registered with the attorney general's office
12 under the charitable trust act, chapter 11.110 RCW.

13 NEW SECTION. **Sec. 3.** The Washington state student scholarship
14 partnership program shall be administered by the board, in consultation
15 with institutions of higher education. In its administration of the
16 program, the board's duties may include, but need not be limited to:

17 (1) The adoption of rules, deadlines, and procedures;

18 (2) When the conditions of section 5 of this act are met, the
19 release of state matching funds to eligible needy students attending
20 institutions of higher education or to participating public
21 institutions of higher education or their foundations for distribution
22 to eligible needy students;

23 (3) The distribution of private donations and matching funds to
24 eligible needy students attending institutions of higher education if
25 any such donations are made directly to the board or the state for the
26 purposes of this program;

27 (4) Determining minimum and maximum scholarship amounts per needy
28 eligible student;

29 (5) The adoption of an annual allocation system based on factors
30 that may include, but need not be limited to: The amount of money
31 available in the trust fund; the characteristics of potential
32 participating institutions including the numbers of eligible needy
33 students enrolled in each such institution, adjusted by each eligible
34 needy student's rate of enrollment; the amount of private cash
35 donations that each potential participating institution commits to
36 raise annually for the program; and the amount of money previously
37 received by each participating institution or its foundation;

38 (6) The adoption of annual minimum matching amounts;

- 1 (7) The adoption of contracts with participating institutions;
- 2 (8) The adoption of policies that maximize the distribution of
3 trust fund and matching moneys to eligible needy students; and
- 4 (9) The adoption of a mechanism to reallocate unused funds to
5 institutions of higher education or eligible needy students attending
6 such institutions if the institutions have used their annual allotment
7 of state matching moneys and have raised additional private donations
8 for which the state matching funds were not available.

9 NEW SECTION. **Sec. 4.** The Washington state student scholarship
10 partnership program trust fund is established in the custody of the
11 state treasurer. Funds appropriated by the legislature for the program
12 shall be deposited into the trust fund. At the request of the board
13 and when the conditions of section 5 of this act are met, the treasurer
14 shall release state matching funds from the trust fund to any
15 institution of higher education or its foundation as designated by the
16 board or to the board for distribution to eligible needy students. No
17 appropriation is required for expenditures from the trust fund.

18 NEW SECTION. **Sec. 5.** Subject to rules adopted by the board:

19 (1) All institutions of higher education are eligible to
20 participate in the program. An institution may apply to the board for
21 money from the trust fund when the institution or its foundation can
22 match the money in the trust fund with an equal amount of cash
23 donations from private sources.

24 (2) Institutions of higher education shall adopt a definition of
25 merit for the purposes of the program.

26 (3) Public institutions of higher education or their foundations
27 shall distribute the private donations and state matching funds to
28 eligible needy students attending the institution.

29 (4) Private and independent institutions of higher education or
30 their foundations shall distribute to eligible needy students private
31 cash donations in an amount that equals the state matching moneys
32 received by the student.

33 NEW SECTION. **Sec. 6.** A foundation is not eligible to receive
34 moneys from the trust fund unless the foundation and the governing
35 board of the institution of higher education for whose benefit the
36 foundation exists have entered into a contract, approved by the

1 attorney general that: (1) Specifies the services to be provided by
2 the foundation; (2) provides for the protection of any state matching
3 funds under the foundation's control that were provided under the
4 program; and (3) provides for the institution's assumption of the
5 ownership, management, and control of program funds if the foundation
6 ceases to exist, fails to function properly, or fails to provide the
7 specified services in accordance with the contract.

8 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act shall
9 constitute a new chapter in Title 28B RCW.

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