

HOUSE BILL REPORT

HB 1145

*As Reported By House Committee on:
Higher Education*

Title: An act relating to the American Indian endowed scholarship program.

Brief Description: Revising provisions for the American Indian endowed scholarship program.

Sponsor(s): Representatives Jacobsen, Wood, Ogden, Sheldon, Paris, Jones, Basich, Wynne, Miller, Wineberry and Anderson.

Brief History:

Reported by House Committee on:
Higher Education, February 14, 1991, DPS.

**HOUSE COMMITTEE ON
HIGHER EDUCATION**

Majority Report: *That Substitute House Bill No. 1145 be substituted therefor, and the substitute bill do pass.*
Signed by 11 members: Representatives Jacobsen, Chair; Ogden, Vice Chair; Wood, Ranking Minority Member; May, Assistant Ranking Minority Member; Dellwo; Fraser; Ludwig; Prince; Sheldon; Spanel; and Van Luven.

Staff: Susan Hosch (786-7120).

Background: In 1990, the Legislature created the American Indian Endowed Scholarship Program. The scholarships may be funded through a variety of sources, including the earnings on an endowment created when \$500,000 in state funds are matched with an equal amount of private donations.

The program is administered by the Higher Education Coordinating Board. The board is responsible for collecting the private donations. With the assistance of a screening committee comprised of persons interested in the higher education of American Indian students, the board also selects the scholarship recipients. Financially needy American Indians who are enrolled full-time in an accredited Washington college or university are eligible for a scholarship if they are state residents and if they promise to use their education to benefit other American Indians. Upper division and graduate students receive a priority under the program. The board may also give a priority to

students majoring in an area in which expertise is needed by the state's American Indians.

Although the legislation creating the program required that \$500,000 in state funds be matched with an equal amount of private donations, only \$250,000 for the state match was included in the 1990 supplemental budget. The state monies are placed in a trust fund until they are matched and can be transferred to the American Indian Scholarship Endowment Fund. Any earnings on the trust fund remain in the trust fund.

Summary of Substitute Bill: The Higher Education Coordinating Board may request the transfer of state funds into the American Indian Scholarship Endowment Fund when \$50,000 rather than \$500,000 in state funds is equally matched with private donations.

The board will not define American Indian. Instead, the criteria for selecting scholarship recipients is expanded. The criteria will assess a student's social and cultural ties to an American Indian community within the state.

Technical amendments are adopted to clarify that interest earned on the trust fund must be transferred to the endowment fund when state funds are deposited into the endowment fund.

Substitute Bill Compared to Original Bill: The board will not define American Indian. Instead the criteria for selecting participants is expanded to assess an applicant's ties to the American Indian community in Washington. The criteria will not include a priority for members of enrolled tribes. Finally, the definition of financial need is not revised.

Fiscal Note: Not requested.

Appropriation: Yes.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: None.

Witnesses: None.