

# FINAL BILL REPORT

## HB 2048

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C 372 L 93  
Synopsis as Enacted

**Brief Description:** Allowing donations subject to conditions to be deposited in the American Indian scholarship endowment fund.

By Representatives Jacobsen, Quall, Brumsickle, Finkbeiner and Miller.

House Committee on Higher Education  
Senate Committee on Higher Education

**Background:** In 1990, the Legislature created the American Indian Endowed Scholarship Program. The scholarships are funded through the earnings on an endowment created when \$50,000 in private donations are matched with an equal amount of state funds.

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 composed 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.

The 1990 supplemental budget included \$250,000 for the state match. The state monies are placed in a trust fund until they are matched and can be transferred to the American Indian scholarship endowment fund. The interest earned on the endowment is used to award yearly scholarships to American Indian students.

The Northwest Indian College Foundation has offered to invest a conditional gift in the American Indian Endowed Scholarship Program. However, statute does not provide for the acceptance of a conditional gift. Receipt of a conditional gift also raises questions regarding interest,

repayment if the conditions are not met, and release of matching funds.

**Summary:** Gifts subject to conditions may be deposited as private funds into the American Indian scholarship endowment fund. A conditional gift may provide that a portion of the earnings from the gift be reinvested in the endowment fund. If the gift's conditions are not met, the private funds will be returned to the donor. Conditional gifts are counted toward the match for state funds.

**Votes on Final Passage:**

House	98	0
Senate	42	0

**Effective:** July 25, 1993