
SUBSTITUTE SENATE BILL 5197

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Higher Education (originally sponsored by Senators Kohl, Wood, Winsley, Patterson, Bauer, Goings, Jacobsen and McAuliffe; by request of Higher Education Coordinating Board)

Read first time 02/17/97.

1 AN ACT Relating to undergraduate fellowships for needy and
2 meritorious students; 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 legislature finds that the rising costs
5 of higher education and the lack of financial assistance for middle-
6 income families has created a crisis of access to the opportunities
7 that higher education provides. The legislature recognizes that
8 quality in the state's public colleges and universities would be
9 strengthened by additional partnerships between citizens and the
10 institutions. The legislature intends to foster these partnerships and
11 provide financial assistance to middle-income students by creating a
12 matching grant program to assist public colleges and universities in
13 creating endowments for funding fellowships for needy and meritorious
14 undergraduate students. "Meritorious students" includes but is not
15 limited to needy students with 3.00 or above grade point average or
16 involvement in community or campus activities.

17 NEW SECTION. **Sec. 2.** The Washington undergraduate fellowship
18 trust fund program is established. The program shall be administered

1 by the higher education coordinating board. The trust fund shall be
2 administered by the state treasurer.

3 NEW SECTION. **Sec. 3.** Funds appropriated by the legislature for
4 the undergraduate fellowship program shall be deposited in the
5 undergraduate fellowship trust fund. At the request of the higher
6 education coordinating board under section 5 of this act, the treasurer
7 shall release the state matching funds to the designated institution's
8 local endowment fund. No appropriation is required for expenditures
9 from the fund.

10 NEW SECTION. **Sec. 4.** In consultation with eligible institutions
11 of higher education, the higher education coordinating board shall set
12 guidelines for the undergraduate fellowship program. These guidelines
13 may include an allocation system based on factors which include but are
14 not limited to: The amount of money available in the trust fund;
15 characteristics of the institutions including the size of the faculty
16 and student body; and the number of fellowships previously received.
17 Any allocation system shall be superseded by conditions in any
18 legislative act appropriating funds for the program.

19 NEW SECTION. **Sec. 5.** (1) All state colleges, universities, and
20 public college foundations shall be eligible for matching trust funds.
21 Institutions may apply to the higher education coordinating board for
22 twenty-five thousand dollars from the fund when they can match the
23 state funds with equal pledged or contributed private donations. These
24 donations shall be made specifically to the undergraduate fellowship
25 program, and shall be donated after July 1, 1997.

26 (2) Upon an application by an institution, the board may designate
27 twenty-five thousand dollars from the trust fund for that institution's
28 pledged undergraduate fellowship fund. If the pledged twenty-five
29 thousand dollars is not received within two years, the board shall make
30 the designated funds available for another pledged undergraduate
31 fellowship fund.

32 (3) Once the private donation is received or documented by the
33 institution, the higher education coordinating board shall ask the
34 state treasurer to release the state matching funds to a local
35 endowment fund established by the institution or the foundation for the
36 undergraduate fellowships.

1 NEW SECTION. **Sec. 6.** (1) The undergraduate fellowship provided
2 under this chapter is the property of the institution and may be named
3 in honor of a donor, benefactor, or honoree of the institution, at the
4 option of the institution.

5 (2) Either the institution or its foundation, or both are
6 responsible for soliciting private donations, investing and maintaining
7 all endowment funds, administering the fellowship, and reporting on the
8 program to the governor and the legislature upon request. The
9 institution or its foundation may augment the endowment fund with
10 additional private donations. The principal of the invested endowment
11 fund shall not be invaded.

12 (3) The proceeds from the endowment fund may be used to provide
13 fellowship stipends to be used by the recipient for such things as
14 tuition and fees, subsistence, research expenses, and other
15 educationally related costs.

16 NEW SECTION. **Sec. 7.** Any private or public money, including all
17 investment income, deposited in the Washington undergraduate fellowship
18 trust fund or any local endowment for fellowship programs shall not be
19 subject to collective bargaining.

20 NEW SECTION. **Sec. 8.** (1) After consulting with the higher
21 education coordinating board and the state colleges and universities,
22 the governor may transfer the administration of this program to another
23 agency that has an appropriate educationally related mission.

24 (2) By December 1, 1999, the higher education coordinating board
25 and any agency administering this program, if applicable, shall make
26 recommendations to the governor and the legislature on any needed
27 changes in the program.

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

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