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HOUSE BILL 2332

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State of Washington

56th Legislature

2000 Regular Session

By Representatives Schual-Berke, Edmonds, Dickerson, Keiser, Carlson, Hurst, Lantz and Stensen

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1 AN ACT Relating to associated student body fund-raising activities;  
2 amending RCW 28A.325.030; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that current law  
5 permits associated student bodies to conduct fund-raising activities to  
6 raise money for school sports programs and school clubs. However,  
7 students also want to conduct fund-raising activities for charitable  
8 causes, such as to fund scholarships and student exchange programs,  
9 assist families whose homes have been destroyed, to fund community  
10 projects, and to rebuild the Statue of Liberty.

11 The legislature further finds that current law requires that funds  
12 raised for charitable purposes be freely given as a donation, which has  
13 been defined as money given without commensurate goods or services  
14 being received. This restriction has prevented students from  
15 conducting fund-raising activities where a product is provided, such as  
16 with car washes, bake sales, and celebrity basketball games for  
17 charitable purposes.

18 The legislature further finds that current law is not clear whether  
19 or how student groups may raise funds for charitable purposes if the

1 recipient is not "poor or infirm." As a result, current law has been  
2 interpreted to prohibit funds collected by students to be used for  
3 activities such as rebuilding the Statue of Liberty or donating funds  
4 to a community project.

5 The legislature further finds that there is considerable confusion  
6 on the part of students regarding what type of fund-raising is  
7 permissible when funds are raised for charitable purposes by student  
8 groups.

9 It is the intent of the legislature to allow students to broaden  
10 the types of fund-raisers that they may conduct for charitable purposes  
11 in their private nonassociated student body capacities, and ensure that  
12 these funds will be separate from student body funds to avoid  
13 constitutional issues pertaining to the gifting of public funds.

14 **Sec. 2.** RCW 28A.325.030 and 1990 c 33 s 340 are each amended to  
15 read as follows:

16 (1)(a) There is hereby created a fund on deposit with each county  
17 treasurer for each school district of the county having an associated  
18 student body as defined in RCW 28A.325.020. Such fund shall be known  
19 as the associated student body program fund. Rules ~~((and regulations~~  
20 ~~promulgated))~~ adopted by the superintendent of public instruction under  
21 RCW 28A.325.020 shall require separate accounting for each associated  
22 student body's transactions in the school district's associated student  
23 body program fund.

24 (b) All moneys generated through the programs and activities of any  
25 associated student body shall be deposited in the associated student  
26 body program fund. Such funds may be invested for the sole benefit of  
27 the associated student body program fund in items enumerated in RCW  
28 28A.320.320 and the county treasurer may assess a fee as provided  
29 therein. Disbursements from such fund shall be under the control and  
30 supervision, and with the approval, of the board of directors of the  
31 school district, and shall be by warrant as provided in chapter 28A.350  
32 RCW: PROVIDED, That in no case shall such warrants be issued in an  
33 amount greater than the funds on deposit with the county treasurer in  
34 the associated student body program fund. To facilitate the payment of  
35 obligations, an imprest bank account or accounts may be created and  
36 replenished from the associated student body program fund.

37 (c) The associated student body program fund shall be budgeted by  
38 the associated student body, subject to approval by the board of

1 directors of the school district. All disbursements from the  
2 associated student body program fund or any imprest bank account  
3 established thereunder shall have the prior approval of the appropriate  
4 governing body representing the associated student body.  
5 Notwithstanding the provisions of RCW 43.09.210, it shall not be  
6 mandatory that expenditures from the district's general fund in support  
7 of associated student body programs and activities be reimbursed by  
8 payments from the associated student body program fund.

9 ~~((Nothing in this section shall prevent those portions of student-~~  
10 ~~generated moneys in the associated student body program fund, budgeted~~  
11 ~~or otherwise, which constitute bona fide voluntary donations and are~~  
12 ~~identified as donations at the time of collection from being used for~~  
13 ~~such scholarship, student exchange and charitable purposes as the~~  
14 ~~appropriate governing body representing the associated student body~~  
15 ~~shall determine, and for such purposes, said moneys shall not be deemed~~  
16 ~~public moneys under section 7, Article VIII, of the state~~  
17 ~~Constitution.))~~

18 (2) Subject to applicable school board policies, student groups may  
19 conduct fund-raising activities in their private capacities for the  
20 purpose of generating nonassociated student body fund moneys. The  
21 school board policy shall include provisions to ensure appropriate  
22 accountability for these funds. Nonassociated student body program  
23 fund moneys generated and received by students for private purposes,  
24 including but not limited to use for scholarship, student exchanges,  
25 and/or charitable purposes~~((, may, in the discretion of the board of~~  
26 ~~directors of any school district,))~~ shall be held in trust in one or  
27 more separate accounts within an associated student body program fund  
28 and be disbursed for such purposes as the student group conducting the  
29 fund-raising activity shall determine: PROVIDED, That the school  
30 district shall either withhold an amount from such moneys as will pay  
31 the district for its direct costs in providing the service or otherwise  
32 be compensated for its cost for such service. Notice shall be given  
33 identifying the intended use of the proceeds. The notice shall also  
34 state that the proceeds are nonassociated student body funds to be held  
35 in trust by the school district exclusively for the intended purpose.

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