
SENATE BILL 5598

State of Washington

56th Legislature

1999 Regular Session

By Senators McAuliffe, Finkbeiner, West, Jacobsen, Long, Kline, Costa, Snyder, Eide, Patterson, Hale and Winsley; by request of Governor Locke

Read first time 01/28/1999. Referred to Committee on Higher Education.

1 AN ACT Relating to higher education scholarships; amending RCW
2 43.79A.040; 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 intends to strengthen the
5 link between postsecondary education and K-12 education by creating the
6 Washington's promise scholarship program for academically successful
7 high school graduates. The legislature finds that, increasingly, an
8 individual's economic viability is contingent on postsecondary
9 educational opportunities, yet the state's full financial obligation is
10 eliminated after the twelfth grade. Students who work hard in
11 kindergarten through twelfth grade and successfully complete high
12 school with high academic marks may not have the financial ability to
13 attend college because they cannot obtain financial aid or the
14 financial aid is insufficient. The legislature finds that
15 postsecondary education is quickly becoming a right, not a privilege.
16 The legislature intends to support this right by providing two-year
17 scholarships for postsecondary education.

1 NEW SECTION. **Sec. 2.** (1) To qualify for a Washington's promise
2 scholarship, a student must meet both the academic and financial
3 requirements in this section.

4 (2)(a) Beginning with the graduating class of 1999 and ending with
5 the graduating class of 2002, students in the top fifteen percent of
6 each high school graduating class meet the academic requirement for the
7 scholarship.

8 (b) Beginning with the tenth grade class taking the Washington
9 assessment of student learning during the 2000-01 school year, students
10 who pass all subjects on their first attempt meet the academic
11 requirement for the scholarship.

12 (3) Students must graduate from high school or its equivalent.

13 (4) To meet the financial requirement of the scholarship, the
14 student's family income must not exceed one hundred thirty-five percent
15 of the state median family income.

16 NEW SECTION. **Sec. 3.** (1) The Washington's promise scholarship
17 program shall be administered by the higher education coordinating
18 board.

19 (2) The office of the superintendent of public instruction shall
20 provide data on class ranking and Washington assessment of student
21 learning scores to the higher education coordinating board to assist
22 the higher education coordinating board in awarding scholarships. All
23 student data should be considered confidential and used solely for the
24 purposes of providing scholarships to eligible students.

25 (3)(a) For students eligible under section 2(2)(a) of this act, the
26 office of the superintendent of public instruction shall provide the
27 higher education coordinating board with the names, addresses, and
28 unique numeric identifiers of students in the top fifteen percent of
29 each respective high school graduating class in Washington state. This
30 shall be done by the end of the summer following completion of the
31 twelfth grade to enable students to use the Washington's promise
32 scholarship upon completion of twelfth grade. The higher education
33 coordinating board shall make awards to qualifying students in an
34 amount equal to the cost of a full-time class load for one academic
35 year at a public community college for each year of these students'
36 eligibility.

37 (b) For students eligible under section 2(2)(b) of this act, the
38 office of the superintendent of public instruction shall provide the

1 higher education coordinating board with the names of tenth grade
2 students who passed all subjects of the Washington assessment of
3 student learning. This shall be done by the end of the summer
4 following receipt of assessment scores to enable students to use the
5 Washington's promise scholarship upon completion of twelfth grade. For
6 each qualifying student, the higher education coordinating board shall
7 establish an account and place in the account two years of tuition
8 units at the community college rate, as provided for in chapter 28B.95
9 RCW.

10 (4) The scholarship may only be used at accredited institutions of
11 higher education in the state of Washington.

12 (5) Scholarships may not be transferred.

13 (6) Scholarships may not be refunded to students. Scholarships may
14 only be returned to the higher education coordinating board.

15 (7) Scholarships awarded under this section may be used for
16 college-related expenses, including but not limited to, tuition, room
17 and board, books, materials, and transportation.

18 (8) The Washington's promise scholarship program is not intended to
19 supplant any federal scholarship or tax program related to
20 postsecondary education.

21 (9)(a) The Washington's promise scholarship account is created in
22 the custody of the state treasurer. The account shall be a discrete
23 nontreasury account retaining its interest earnings in accordance with
24 RCW 43.79A.040.

25 (b) The higher education coordinating board shall deposit in the
26 account all money received for the program. The account shall be self-
27 sustaining and consist of funds appropriated by the legislature for the
28 Washington's promise scholarship program, private contributions to the
29 program, and receipts from refunds of tuition and fees.

30 (c) Expenditures from the account shall be used for scholarships to
31 eligible students.

32 (d) With the exception of the operating costs associated with the
33 management of the account by the treasurer's office as authorized in
34 chapter 43.79A RCW, the account shall be credited with all investment
35 income earned by the account.

36 (e) Disbursements from the account are exempt from appropriations
37 and the allotment provisions of chapter 43.88 RCW.

38 (f) Disbursements from the account shall be made only on the
39 authorization of the higher education coordinating board.

1 (10) The higher education coordinating board may adopt rules to
2 implement this section.

3 **Sec. 4.** RCW 43.79A.040 and 1998 c 268 s 1 are each amended to read
4 as follows:

5 (1) Money in the treasurer's trust fund may be deposited, invested,
6 and reinvested by the state treasurer in accordance with RCW 43.84.080
7 in the same manner and to the same extent as if the money were in the
8 state treasury.

9 (2) All income received from investment of the treasurer's trust
10 fund shall be set aside in an account in the treasury trust fund to be
11 known as the investment income account.

12 (3) The investment income account may be utilized for the payment
13 of purchased banking services on behalf of treasurer's trust funds
14 including, but not limited to, depository, safekeeping, and
15 disbursement functions for the state treasurer or affected state
16 agencies. The investment income account is subject in all respects to
17 chapter 43.88 RCW, but no appropriation is required for payments to
18 financial institutions. Payments shall occur prior to distribution of
19 earnings set forth in subsection (4) of this section.

20 (4)(a) Monthly, the state treasurer shall distribute the earnings
21 credited to the investment income account to the state general fund
22 except under (b) and (c) of this subsection.

23 (b) The following accounts and funds shall receive their
24 proportionate share of earnings based upon each account's or fund's
25 average daily balance for the period: The Washington's promise
26 scholarship account, the Washington advanced college tuition payment
27 program account, the agricultural local fund, the American Indian
28 scholarship endowment fund, the Washington international exchange
29 scholarship endowment fund, the energy account, the fair fund, the game
30 farm alternative account, the grain inspection revolving fund, the
31 rural rehabilitation account, the stadium and exhibition center
32 account, the youth athletic facility grant account, the self-insurance
33 revolving fund, the sulfur dioxide abatement account, and the
34 children's trust fund. However, the earnings to be distributed shall
35 first be reduced by the allocation to the state treasurer's service
36 fund pursuant to RCW 43.08.190.

37 (c) The following accounts and funds shall receive eighty percent
38 of their proportionate share of earnings based upon each account's or

1 fund's average daily balance for the period: The advanced right of way
2 revolving fund, the advanced environmental mitigation revolving
3 account, the federal narcotics asset forfeitures account, the high
4 occupancy vehicle account, the local rail service assistance account,
5 and the miscellaneous transportation programs account.

6 (5) In conformance with Article II, section 37 of the state
7 Constitution, no trust accounts or funds shall be allocated earnings
8 without the specific affirmative directive of this section.

9 NEW SECTION. **Sec. 5.** Sections 1 through 3 of this act constitute
10 a new chapter in Title 28B RCW.

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