
SENATE BILL 6744

State of Washington

59th Legislature

2006 Regular Session

By Senators Rockefeller, Fraser, Berkey, Doumit, Shin, Kline, Kohl-Welles, McAuliffe and Rasmussen

Read first time 01/20/2006. Referred to Committee on Early Learning, K-12 & Higher Education.

1 AN ACT Relating to the guaranteed opportunities scholarship
2 program; amending RCW 28A.195.010, 28A.200.010, 28B.95.020, 28B.95.030,
3 and 28B.95.060; reenacting and amending RCW 43.79A.040; adding a new
4 section to chapter 28B.95 RCW; and adding a new chapter to Title 28B
5 RCW.

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

7 NEW SECTION. **Sec. 1.** The legislature intends to inspire and
8 encourage all Washington students to dream big by creating a guaranteed
9 one-year tuition scholarship program for academically successful high
10 school students from low and middle-income families. The legislature
11 finds that too often, financial barriers prevent many of the brightest
12 students from even considering college as a future possibility. Often
13 the cost of tuition coupled with the complexity of finding and applying
14 for financial aid is enough to prevent a student from even applying to
15 college. Many students become disconnected from the education system
16 early on and may give up or even drop out before graduation. It is the
17 intent of the legislature to reward high-achieving students early in
18 their high school career so that they know they have options and
19 opportunities available beyond high school.

1 NEW SECTION. **Sec. 2.** The higher education coordinating board
2 shall design the guaranteed opportunities scholarship in accordance
3 with this section.

4 (1) Scholarships shall be awarded to students graduating from
5 public and approved private high schools under chapter 28A.195 RCW,
6 students participating in home-based instruction as provided in chapter
7 28A.200 RCW, and persons twenty-one years of age or younger receiving
8 a GED certificate, who meet both an academic and a financial
9 eligibility criteria.

10 (a) To meet the academic eligibility criteria:

11 (i) Students graduating from public high schools, approved private
12 high schools under chapter 28A.195 RCW, students participating in home-
13 based instruction as provided in chapter 28A.200 RCW, and persons
14 twenty-one years of age or younger receiving a GED certificate, must
15 attain or exceed the standards in all content areas on the Washington
16 assessment of student learning or on the Washington alternative
17 assessment system on their first attempt; and

18 (ii) Students graduating from public high schools or approved
19 private high schools under chapter 28A.195 RCW must have a grade point
20 average equal to or greater than 3.5 for the ninth and tenth grades.

21 (b) To meet the financial eligibility criteria, a student's family
22 income shall not exceed one hundred percent of the state median family
23 income adjusted for family size, as determined by the higher education
24 coordinating board for each graduating class. Students not meeting the
25 eligibility requirements for the first year of scholarship benefits may
26 reapply for the second year of benefits, but must still meet the income
27 standard set by the board for the student's graduating class.

28 (2) Scholarships shall be one hundred tuition units.

29 (3) Scholarships shall be awarded in the fall after results of the
30 high school Washington assessment of student learning are available.
31 The first scholarships shall be awarded to students who take the high
32 school assessment for the first time in the spring of 2007.

33 (4) The state of Washington retains legal ownership of tuition
34 units awarded as scholarships under this chapter until the tuition
35 units are redeemed. These tuition units shall remain separately held
36 from any tuition units owned under chapter 28B.95 RCW by a guaranteed
37 opportunities scholarship recipient.

1 (5) Scholarships must be used within five years of receipt. Any
2 unused scholarship tuition units revert to the guaranteed opportunities
3 scholarship account.

4 (6) Guaranteed opportunities scholarships are not intended to
5 supplant any grant, scholarship, or tax program related to
6 postsecondary education. If the board finds that the scholarship
7 supplants or reduces any grant, scholarship, or tax program for
8 categories of students, then the board shall adjust the financial
9 eligibility criteria or the amount of scholarship to the level
10 necessary to avoid supplanting.

11 (7) The higher education coordinating board, with the assistance of
12 the office of the superintendent of public instruction, shall implement
13 and administer the guaranteed opportunities scholarship program.

14 NEW SECTION. **Sec. 3.** (1) The guaranteed opportunities scholarship
15 account is created in the custody of the state treasurer. The account
16 shall be a discrete nontreasury account retaining its interest earnings
17 in accordance with RCW 43.79A.040.

18 (2) The higher education coordinating board shall deposit in the
19 account all money received for the program. The account shall be self-
20 sustaining and consist of funds representing tuition units purchased by
21 the state of Washington and funds received from other sources, public
22 or private. With the exception of investment and operating costs
23 associated with the investment of money by the investment board paid
24 under RCW 43.33A.160 and 43.84.160, the account shall be credited with
25 all investment income earned by the account. Disbursements from the
26 account are exempt from appropriations and the allotment provisions of
27 chapter 43.88 RCW. Money used for program administration is subject to
28 the allotment of all expenditures. However, an appropriation is not
29 required for such expenditures.

30 (3) The limitations and authorities applicable to the Washington
31 advanced college tuition payment program under RCW 28B.95.060 apply to
32 the guaranteed opportunities scholarship account.

33 (4) The assets of the account may be spent without appropriation
34 for the purpose of making payments to institutions of higher education
35 on behalf of recipients of guaranteed opportunities scholarships.
36 Disbursements from the account shall be made only on the authorization
37 of the higher education coordinating board.

1 (5) Administrative expenses of the tuition unit payment portion of
2 the guaranteed opportunities program shall be paid from the guaranteed
3 opportunities scholarship account in an amount not to exceed three
4 percent of total available assets in the account.

5 (6) With regard to the assets of the account, the state acts in a
6 fiduciary, not ownership, capacity. Therefore the assets of the
7 program are not considered state money, common cash, or revenue to the
8 state.

9 NEW SECTION. **Sec. 4.** This chapter shall not be construed to
10 change current state requirements for students who received home-based
11 instruction under chapter 28A.200 RCW.

12 NEW SECTION. **Sec. 5.** The higher education coordinating board may
13 adopt rules to implement this chapter.

14 **Sec. 6.** RCW 28A.195.010 and 2004 c 19 s 106 are each amended to
15 read as follows:

16 The legislature hereby recognizes that private schools should be
17 subject only to those minimum state controls necessary to insure the
18 health and safety of all the students in the state and to insure a
19 sufficient basic education to meet usual graduation requirements. The
20 state, any agency or official thereof, shall not restrict or dictate
21 any specific educational or other programs for private schools except
22 as hereinafter in this section provided.

23 Principals of private schools or superintendents of private school
24 districts shall file each year with the state superintendent of public
25 instruction a statement certifying that the minimum requirements
26 hereinafter set forth are being met, noting any deviations. After
27 review of the statement, the state superintendent will notify schools
28 or school districts of those deviations which must be corrected. In
29 case of major deviations, the school or school district may request and
30 the state board of education may grant provisional status for one year
31 in order that the school or school district may take action to meet the
32 requirements. The state board of education shall not require private
33 school students to meet the student learning goals, obtain a
34 certificate of academic achievement, or a certificate of individual
35 achievement to graduate from high school, to master the essential

1 academic learning requirements, or to be assessed pursuant to RCW
2 28A.655.061. However, private schools may choose, on a voluntary
3 basis, to have their students master these essential academic learning
4 requirements, take the assessments, and obtain a certificate of
5 academic achievement or a certificate of individual achievement.
6 Minimum requirements shall be as follows:

7 (1) The minimum school year for instructional purposes shall
8 consist of no less than one hundred eighty school days or the
9 equivalent in annual minimum program hour offerings as prescribed in
10 RCW 28A.150.220.

11 (2) The school day shall be the same as that required in RCW
12 28A.150.030 and 28A.150.220, except that the percentages of total
13 program hour offerings as prescribed in RCW 28A.150.220 for basic
14 skills, work skills, and optional subjects and activities shall not
15 apply to private schools or private sectarian schools.

16 (3) All classroom teachers shall hold appropriate Washington state
17 certification except as follows:

18 (a) Teachers for religious courses or courses for which no
19 counterpart exists in public schools shall not be required to obtain a
20 state certificate to teach those courses.

21 (b) In exceptional cases, people of unusual competence but without
22 certification may teach students so long as a certified person
23 exercises general supervision. Annual written statements shall be
24 submitted to the office of the superintendent of public instruction
25 reporting and explaining such circumstances.

26 (4) An approved private school may operate an extension program for
27 parents, guardians, or persons having legal custody of a child to teach
28 children in their custody. The extension program shall require at a
29 minimum that:

30 (a) The parent, guardian, or custodian be under the supervision of
31 an employee of the approved private school who is certified under
32 chapter 28A.410 RCW;

33 (b) The planning by the certified person and the parent, guardian,
34 or person having legal custody include objectives consistent with this
35 subsection and subsections (1), (2), (5), (6), and (7) of this section;

36 (c) The certified person spend a minimum average each month of one
37 contact hour per week with each student under his or her supervision
38 who is enrolled in the approved private school extension program;

1 (d) Each student's progress be evaluated by the certified person;
2 and

3 (e) The certified employee shall not supervise more than thirty
4 students enrolled in the approved private school's extension program.

5 (5) Appropriate measures shall be taken to safeguard all permanent
6 records against loss or damage.

7 (6) The physical facilities of the school or district shall be
8 adequate to meet the program offered by the school or district:
9 PROVIDED, That each school building shall meet reasonable health and
10 fire safety requirements. A residential dwelling of the parent,
11 guardian, or custodian shall be deemed to be an adequate physical
12 facility when a parent, guardian, or person having legal custody is
13 instructing his or her child under subsection (4) of this section.

14 (7) Private school curriculum shall include instruction of the
15 basic skills of occupational education, science, mathematics, language,
16 social studies, history, health, reading, writing, spelling, and the
17 development of appreciation of art and music, all in sufficient units
18 for meeting state board of education graduation requirements.

19 (8) Each school or school district shall be required to maintain
20 up-to-date policy statements related to the administration and
21 operation of the school or school district.

22 A student enrolled at a private school shall be permitted to take
23 the high school assessments under RCW 28A.655.061 at an educational
24 service district for the purpose of qualifying for a guaranteed
25 opportunities scholarship or any other purpose.

26 (9) All decisions of policy, philosophy, selection of books,
27 teaching material, curriculum, except as in subsection (7) of this
28 section provided, school rules and administration, or other matters not
29 specifically referred to in this section, shall be the responsibility
30 of the administration and administrators of the particular private
31 school involved.

32 **Sec. 7.** RCW 28A.200.010 and 2004 c 19 s 107 are each amended to
33 read as follows:

34 (1) Each parent whose child is receiving home-based instruction
35 under RCW 28A.225.010(4) shall have the duty to:

36 (a) File annually a signed declaration of intent that he or she is
37 planning to cause his or her child to receive home-based instruction.

1 The statement shall include the name and age of the child, shall
2 specify whether a certificated person will be supervising the
3 instruction, and shall be written in a format prescribed by the
4 superintendent of public instruction. Each parent shall file the
5 statement by September 15th of the school year or within two weeks of
6 the beginning of any public school quarter, trimester, or semester with
7 the superintendent of the public school district within which the
8 parent resides or the district that accepts the transfer, and the
9 student shall be deemed a transfer student of the nonresident district.
10 Parents may apply for transfer under RCW 28A.225.220;

11 (b) Ensure that test scores or annual academic progress assessments
12 and immunization records, together with any other records that are kept
13 relating to the instructional and educational activities provided, are
14 forwarded to any other public or private school to which the child
15 transfers. At the time of a transfer to a public school, the
16 superintendent of the local school district in which the child enrolls
17 may require a standardized achievement test to be administered and
18 shall have the authority to determine the appropriate grade and course
19 level placement of the child after consultation with parents and review
20 of the child's records; ~~((and))~~

21 (c) Ensure that a standardized achievement test approved by the
22 state board of education is administered annually to the child by a
23 qualified individual or that an annual assessment of the student's
24 academic progress is written by a certificated person who is currently
25 working in the field of education. ~~((The state board of education
26 shall not require these children to meet the student learning goals,
27 master the essential academic learning requirements, to take the
28 assessments, or to obtain a certificate of academic achievement or a
29 certificate of individual achievement pursuant to RCW 28A.655.061 and
30 28A.155.045.))~~ The standardized test administered or the annual
31 academic progress assessment written shall be made a part of the
32 child's permanent records. If, as a result of the annual test or
33 assessment, it is determined that the child is not making reasonable
34 progress consistent with his or her age or stage of development, the
35 parent shall make a good faith effort to remedy any deficiency; and

36 (d) The state board of education shall not require these children
37 to meet the student learning goals, master the essential academic
38 learning requirements, to take the assessments, or to obtain a

1 certificate of mastery pursuant to RCW 28A.655.061. However, a student
2 receiving home-based instruction shall be permitted to take the
3 Washington assessment of student learning at an educational service
4 district for the purpose of qualifying for a guaranteed opportunities
5 scholarship or any other purpose.

6 (2) Failure of a parent to comply with the duties in this section
7 shall be deemed a failure of such parent's child to attend school
8 without valid justification under RCW 28A.225.020. Parents who do
9 comply with the duties set forth in this section shall be presumed to
10 be providing home-based instruction as set forth in RCW 28A.225.010(4).

11 **Sec. 8.** RCW 28B.95.020 and 2005 c 272 s 1 are each amended to read
12 as follows:

13 The definitions in this section apply throughout this chapter,
14 unless the context clearly requires otherwise.

15 (1) "Academic year" means the regular nine-month, three-quarter, or
16 two-semester period annually occurring between August 1st and July
17 31st.

18 (2) "Account" means the Washington advanced college tuition payment
19 program account established for the deposit of all money received by
20 the board from eligible purchasers and interest earnings on investments
21 of funds in the account, as well as for all expenditures on behalf of
22 eligible beneficiaries for the redemption of tuition units and for the
23 development of any authorized college savings program pursuant to RCW
24 28B.95.150.

25 (3) "Board" means the higher education coordinating board as
26 defined in chapter 28B.76 RCW.

27 (4) "Committee on advanced tuition payment" or "committee" means a
28 committee of the following members: The state treasurer, the director
29 of the office of financial management, the executive director of the
30 higher education coordinating board, or their designees, and two
31 members to be appointed by the governor, one representing program
32 participants and one private business representative with marketing,
33 public relations, or financial expertise.

34 (5) "Governing body" means the committee empowered by the
35 legislature to administer the Washington advanced college tuition
36 payment program.

1 (6) "Contractual obligation" means a legally binding contract of
2 the state with the purchaser and the beneficiary establishing that
3 purchases of tuition units will be worth the same number of tuition
4 units at the time of redemption as they were worth at the time of the
5 purchase.

6 (7) "Eligible beneficiary" means the person for whom the tuition
7 unit will be redeemed for attendance at an institution of higher
8 education. The beneficiary is that person named by the purchaser at
9 the time that a tuition unit contract is accepted by the governing
10 body. Qualified organizations, as allowed under section 529 of the
11 federal internal revenue code, purchasing tuition unit contracts as
12 future scholarships need not designate a beneficiary at the time of
13 purchase.

14 (8) "Eligible purchaser" means an individual or organization that
15 has entered into a tuition unit contract with the governing body for
16 the purchase of tuition units for an eligible beneficiary. The state
17 of Washington may be an eligible purchaser for purposes of purchasing
18 tuition units to be held for granting guaranteed opportunities
19 scholarships.

20 (9) "Full-time tuition charges" means resident tuition charges at
21 a state institution of higher education for enrollments between ten
22 credits and eighteen credit hours per academic term.

23 (10) "Institution of higher education" means an institution that
24 offers education beyond the secondary level and is recognized by the
25 internal revenue service under chapter 529 of the internal revenue
26 code.

27 (11) "Investment board" means the state investment board as defined
28 in chapter 43.33A RCW.

29 (12) "State institution of higher education" means institutions of
30 higher education as defined in RCW 28B.10.016.

31 (13) "Tuition and fees" means undergraduate tuition and services
32 and activities fees as defined in RCW 28B.15.020 and 28B.15.041 rounded
33 to the nearest whole dollar. For purposes of this chapter, services
34 and activities fees do not include fees charged for the payment of
35 bonds heretofore or hereafter issued for, or other indebtedness
36 incurred to pay, all or part of the cost of acquiring, constructing, or
37 installing any lands, buildings, or facilities.

1 (14) "Tuition unit contract" means a contract between an eligible
2 purchaser and the governing body, or a successor agency appointed for
3 administration of this chapter, for the purchase of tuition units for
4 a specified beneficiary that may be redeemed at a later date for an
5 equal number of tuition units.

6 (15) "Unit purchase price" means the minimum cost to purchase one
7 tuition unit for an eligible beneficiary. Generally, the minimum
8 purchase price is one percent of the undergraduate tuition and fees for
9 the current year, rounded to the nearest whole dollar, adjusted for the
10 costs of administration and adjusted to ensure the actuarial soundness
11 of the account. The analysis for price setting shall also include, but
12 not be limited to consideration of past and projected patterns of
13 tuition increases, program liability, past and projected investment
14 returns, and the need for a prudent stabilization reserve.

15 **Sec. 9.** RCW 28B.95.030 and 2005 c 272 s 2 are each amended to read
16 as follows:

17 (1) The Washington advanced college tuition payment program shall
18 be administered by the committee on advanced tuition payment which
19 shall be chaired by the executive director of the board. The committee
20 shall be supported by staff of the board.

21 (2)(a) The Washington advanced college tuition payment program
22 shall consist of the sale of tuition units, which may be redeemed by
23 the beneficiary at a future date for an equal number of tuition units
24 regardless of any increase in the price of tuition, that may have
25 occurred in the interval.

26 (b) Each purchase shall be worth a specific number of or fraction
27 of tuition units at each state institution of higher education as
28 determined by the governing body.

29 (c) The number of tuition units necessary to pay for a full year's,
30 full-time undergraduate tuition and fee charges at a state institution
31 of higher education shall be set by the governing body at the time a
32 purchaser enters into a tuition unit contract.

33 (d) The governing body may limit the number of tuition units
34 purchased by any one purchaser or on behalf of any one beneficiary,
35 however, no limit may be imposed that is less than that necessary to
36 achieve four years of full-time, undergraduate tuition charges at a

1 state institution of higher education. The governing body also may, at
2 its discretion, limit the number of participants, if needed, to ensure
3 the actuarial soundness and integrity of the program.

4 (e) While the Washington advanced college tuition payment program
5 is designed to help all citizens of the state of Washington, the
6 governing body may determine residency requirements for eligible
7 purchasers and eligible beneficiaries to ensure the actuarial soundness
8 and integrity of the program.

9 (3)(a) Except for tuition units purchased by the state of
10 Washington for the guaranteed opportunities scholarship program under
11 chapter 28B.-- RCW (sections 1 through 5 of this act), no tuition unit
12 may be redeemed until two years after the purchase of the unit. Units
13 may be redeemed for enrollment at any institution of higher education
14 that is recognized by the internal revenue service under chapter 529 of
15 the internal revenue code.

16 (b) Units redeemed at a nonstate institution of higher education or
17 for graduate enrollment shall be redeemed at the rate for state public
18 institutions in effect at the time of redemption.

19 (4) The governing body shall determine the conditions under which
20 the tuition benefit may be transferred to another family member. In
21 permitting such transfers, the governing body may not allow the tuition
22 benefit to be bought, sold, bartered, or otherwise exchanged for goods
23 and services by either the beneficiary or the purchaser.

24 (5) The governing body shall administer the Washington advanced
25 college tuition payment program in a manner reasonably designed to be
26 actuarially sound, such that the assets of the trust will be sufficient
27 to defray the obligations of the trust including the costs of
28 administration. The governing body may, at its discretion, discount
29 the minimum purchase price for certain kinds of purchases such as those
30 from families with young children, as long as the actuarial soundness
31 of the account is not jeopardized.

32 (6) The governing body shall annually determine current value of a
33 tuition unit.

34 (7) The governing body shall promote, advertise, and publicize the
35 Washington advanced college tuition payment program.

36 (8) In addition to any other powers conferred by this chapter, the
37 governing body may:

1 (a) Impose reasonable limits on the number of tuition units or
2 units that may be used in any one year;

3 (b) Determine and set any time limits, if necessary, for the use of
4 benefits under this chapter;

5 (c) Impose and collect administrative fees and charges in
6 connection with any transaction under this chapter;

7 (d) Appoint and use advisory committees as needed to provide
8 program direction and guidance;

9 (e) Formulate and adopt all other policies and rules necessary for
10 the efficient administration of the program;

11 (f) Consider the addition of an advanced payment program for room
12 and board contracts and also consider a college savings program;

13 (g) Purchase insurance from insurers licensed to do business in the
14 state, to provide for coverage against any loss in connection with the
15 account's property, assets, or activities or to further insure the
16 value of the tuition units;

17 (h) Make, execute, and deliver contracts, conveyances, and other
18 instruments necessary to the exercise and discharge of its powers and
19 duties under this chapter;

20 (i) Contract for the provision for all or part of the services
21 necessary for the management and operation of the program with other
22 state or nonstate entities authorized to do business in the state;

23 (j) Contract for other services or for goods needed by the
24 governing body in the conduct of its business under this chapter;

25 (k) Contract with financial consultants, actuaries, auditors, and
26 other consultants as necessary to carry out its responsibilities under
27 this chapter;

28 (l) Solicit and accept cash donations and grants from any person,
29 governmental agency, private business, or organization; and

30 (m) Perform all acts necessary and proper to carry out the duties
31 and responsibilities of this program under this chapter.

32 NEW SECTION. **Sec. 10.** A new section is added to chapter 28B.95
33 RCW to read as follows:

34 Ownership of tuition units purchased by the state of Washington for
35 the guaranteed opportunities scholarship program under chapter 28B.--
36 RCW (sections 1 through 5 of this act) shall be in the name of the

1 state of Washington and may be redeemed by the state of Washington on
2 behalf of recipients of guaranteed opportunity scholarships for tuition
3 and fees only and not for college-related expenses.

4 **Sec. 11.** RCW 28B.95.060 and 2000 c 14 s 5 are each amended to read
5 as follows:

6 (1) The Washington advanced college tuition payment program account
7 is created in the custody of the state treasurer. The account shall be
8 a discrete nontreasury account retaining its interest earnings in
9 accordance with RCW 43.79A.040.

10 (2)(a) Except as provided in (b) of this subsection, the governing
11 body shall deposit in the account all money received for the program.
12 The account shall be self-sustaining and consist of payments received
13 from purchasers of tuition units and funds received from other sources,
14 public or private. With the exception of investment and operating
15 costs associated with the investment of money by the investment board
16 paid under RCW 43.33A.160 and 43.84.160, the account shall be credited
17 with all investment income earned by the account. Disbursements from
18 the account are exempt from appropriations and the allotment provisions
19 of chapter 43.88 RCW. Money used for program administration is subject
20 to the allotment of all expenditures. However, an appropriation is not
21 required for such expenditures. Program administration shall include,
22 but not be limited to: The salaries and expenses of the program
23 personnel including lease payments, travel, and goods and services
24 necessary for program operation; contracts for program promotion and
25 advertisement, audits, and account management; and other general costs
26 of conducting the business of the program.

27 (b) All money received by the program from the state of Washington
28 for the guaranteed opportunities scholarship program shall be deposited
29 in the guaranteed opportunities scholarship account created in section
30 3 of this act.

31 (3) The assets of the account may be spent without appropriation
32 for the purpose of making payments to institutions of higher education
33 on behalf of the qualified beneficiaries, making refunds, transfers, or
34 direct payments upon the termination of the Washington advanced college
35 tuition payment program. Disbursements from the account shall be made
36 only on the authorization of the governing body.

1 (4) With regard to the assets of the account, the state acts in a
2 fiduciary, not ownership, capacity. Therefore the assets of the
3 program are not considered state money, common cash, or revenue to the
4 state.

5 **Sec. 12.** RCW 43.79A.040 and 2005 c 424 s 18, 2005 c 402 s 8, 2005
6 c 215 s 10, and 2005 c 16 s 2 are each reenacted and amended to read as
7 follows:

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

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

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

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

26 (b) The following accounts and funds shall receive their
27 proportionate share of earnings based upon each account's or fund's
28 average daily balance for the period: The Washington promise
29 scholarship account, the college savings program account, the
30 Washington advanced college tuition payment program account, the
31 guaranteed opportunities scholarship account, the agricultural local
32 fund, the American Indian scholarship endowment fund, the foster care
33 scholarship endowment fund, the foster care endowed scholarship trust
34 fund, the students with dependents grant account, the basic health plan
35 self-insurance reserve account, the contract harvesting revolving
36 account, the Washington state combined fund drive account, the
37 commemorative works account, the Washington international exchange

1 scholarship endowment fund, the developmental disabilities endowment
2 trust fund, the energy account, the fair fund, the fruit and vegetable
3 inspection account, the future teachers conditional scholarship
4 account, the game farm alternative account, the grain inspection
5 revolving fund, the juvenile accountability incentive account, the law
6 enforcement officers' and fire fighters' plan 2 expense fund, the local
7 tourism promotion account, the produce railcar pool account, the rural
8 rehabilitation account, the stadium and exhibition center account, the
9 youth athletic facility account, the self-insurance revolving fund, the
10 sulfur dioxide abatement account, the children's trust fund, the
11 Washington horse racing commission Washington bred owners' bonus fund
12 account, the Washington horse racing commission class C purse fund
13 account, the individual development account program account, the
14 Washington horse racing commission operating account (earnings from the
15 Washington horse racing commission operating account must be credited
16 to the Washington horse racing commission class C purse fund account),
17 and the life sciences discovery fund. However, the earnings to be
18 distributed shall first be reduced by the allocation to the state
19 treasurer's service fund pursuant to RCW 43.08.190.

20 (c) The following accounts and funds shall receive eighty percent
21 of their proportionate share of earnings based upon each account's or
22 fund's average daily balance for the period: The advanced right of way
23 revolving fund, the advanced environmental mitigation revolving
24 account, the city and county advance right-of-way revolving fund, the
25 federal narcotics asset forfeitures account, the high occupancy vehicle
26 account, the local rail service assistance account, and the
27 miscellaneous transportation programs account.

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

31 NEW SECTION. **Sec. 13.** Sections 1 through 5 of this act constitute
32 a new chapter in Title 28B RCW.

--- END ---