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HOUSE BILL 1936

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State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Seaquist, Ryu, Springer, and Pollet

Read first time 02/19/13. Referred to Committee on Higher Education.

1            AN ACT Relating to meeting industry demand for higher education and  
2 training credentials; reenacting and amending RCW 43.79A.040; adding a  
3 new section to chapter 82.32 RCW; and adding a new chapter to Title 28B  
4 RCW.

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

6            NEW SECTION.    **Sec. 1.**    The definitions in this section apply  
7 throughout this chapter unless the context clearly requires otherwise.

8            (1) "Council" means the student achievement council.

9            (2) "High employer demand program of study" means an  
10 apprenticeship, or an undergraduate or graduate certificate or degree  
11 program in which the number of students prepared for employment per  
12 year from in-state institutions is substantially less than the number  
13 of projected job openings per year in that field, statewide or in a  
14 substate region.

15            (3) "High-demand occupation" means an occupation with a substantial  
16 number of current or projected employment opportunities.

17            NEW SECTION.    **Sec. 2.**    (1) The meeting industry demand program is  
18 established. The program has a dual purpose to:

1 (a) Meet the higher education needs of industry by expanding high-  
2 cost, high employer demand programs of study and postsecondary programs  
3 that prepare students for high demand occupations; and

4 (b) Incentivize institutions of higher education to expand high-  
5 cost postsecondary programs that meet industry demands.

6 (2)(a) Postsecondary programs that qualify for program grants are  
7 as follows:

8 (i) High employer demand programs of study that are considered  
9 high-cost programs relative to other postsecondary programs;

10 (ii) Postsecondary programs that prepare individuals for high  
11 demand occupations that are considered high-cost programs relative to  
12 other postsecondary programs; or

13 (iii) Postsecondary program prerequisites or programs that form  
14 part of the pathway for programs under (a)(i) or (ii) of this  
15 subsection.

16 (b) In awarding grants priority must be given to programs that can  
17 demonstrate industry support.

18 (3) The council must administer the program, including the  
19 following duties:

20 (a) Manage the solicitation of competitive requests for proposals  
21 from the four-year institutions of higher education and the selection  
22 process;

23 (b) Enter into an interagency agreement with the state board for  
24 community and technical colleges who shall manage the solicitation of  
25 competitive requests for proposals from the community and technical  
26 colleges and manage the selection process; and

27 (c) Identify the appropriate programs and course codes that qualify  
28 for grants under subsection (2) of this section every two years and  
29 based on the most recent assessment of the number and type of higher  
30 education and training credentials required to match employer demand  
31 for a skilled and educated workforce as in RCW 28B.77.080; and

32 (d) By December 1, 2014, and every two years thereafter, and in  
33 compliance with RCW 43.01.036, the council must submit a report to the  
34 governor and the higher education and appropriation committees of the  
35 legislature that details: (i) The grants awarded; and (ii) the level  
36 of expansion in high employer demand programs of study and programs  
37 that prepare individuals for high demand occupations.

1           NEW SECTION.   **Sec. 3.** A new section is added to chapter 82.32 RCW  
2 to read as follows:

3           (1) By May 1, 2015, and by May 1st of every year thereafter, the  
4 department must annually estimate the increase in state revenue for the  
5 current fiscal year resulting from the expiration of the research and  
6 development tax credit in RCW 82.04.4452 and certify the estimated  
7 amount to the state treasurer.

8           (2)(a) By July 1, 2015, and by July 1st of every year thereafter,  
9 the state treasurer must transfer the amount certified by the  
10 department under subsection (1) of this section into the meeting  
11 industry demand account hereby created in the custody of the state  
12 treasurer.

13           (b) Money in the account must be used solely for the purposes  
14 specified in section 2 of this act with fifty percent of the moneys  
15 solely for meeting industry demand program grants at two-year  
16 institutions of higher education and fifty percent of the moneys solely  
17 for meeting industry demand program grants at the four-year  
18 institutions of higher education.

19           (c) Only the director of the council or the director's designee may  
20 authorize expenditures from the account. The account is subject to  
21 allotment procedures under chapter 43.88 RCW, but an appropriation is  
22 not required for expenditures. The account may retain all of the  
23 interest earnings.

24           **Sec. 4.** RCW 43.79A.040 and 2012 c 198 s 8, 2012 c 196 s 6, 2012 c  
25 187 s 13, and 2012 c 114 s 3 are each reenacted and amended to read as  
26 follows:

27           (1) Money in the treasurer's trust fund may be deposited, invested,  
28 and reinvested by the state treasurer in accordance with RCW 43.84.080  
29 in the same manner and to the same extent as if the money were in the  
30 state treasury, and may be commingled with moneys in the state treasury  
31 for cash management and cash balance purposes.

32           (2) All income received from investment of the treasurer's trust  
33 fund must be set aside in an account in the treasury trust fund to be  
34 known as the investment income account.

35           (3) The investment income account may be utilized for the payment  
36 of purchased banking services on behalf of treasurer's trust funds  
37 including, but not limited to, depository, safekeeping, and

1 disbursement functions for the state treasurer or affected state  
2 agencies. The investment income account is subject in all respects to  
3 chapter 43.88 RCW, but no appropriation is required for payments to  
4 financial institutions. Payments must occur prior to distribution of  
5 earnings set forth in subsection (4) of this section.

6 (4)(a) Monthly, the state treasurer must distribute the earnings  
7 credited to the investment income account to the state general fund  
8 except under (b), (c), and (d) of this subsection.

9 (b) The following accounts and funds must receive their  
10 proportionate share of earnings based upon each account's or fund's  
11 average daily balance for the period: The Washington promise  
12 scholarship account, the Washington advanced college tuition payment  
13 program account, the accessible communities account, the community and  
14 technical college innovation account, the agricultural local fund, the  
15 American Indian scholarship endowment fund, the foster care scholarship  
16 endowment fund, the foster care endowed scholarship trust fund, the  
17 basic health plan self-insurance reserve account, the contract  
18 harvesting revolving account, the Washington state combined fund drive  
19 account, the commemorative works account, the county enhanced 911  
20 excise tax account, the toll collection account, the developmental  
21 disabilities endowment trust fund, the energy account, the fair fund,  
22 the family leave insurance account, the food animal veterinarianian  
23 conditional scholarship account, the fruit and vegetable inspection  
24 account, the future teachers conditional scholarship account, the game  
25 farm alternative account, the GET ready for math and science  
26 scholarship account, the Washington global health technologies and  
27 product development account, the grain inspection revolving fund, the  
28 industrial insurance rainy day fund, the juvenile accountability  
29 incentive account, the law enforcement officers' and firefighters' plan  
30 2 expense fund, the local tourism promotion account, the meeting  
31 industry demand account, the multiagency permitting team account, the  
32 pilotage account, the produce railcar pool account, the regional  
33 transportation investment district account, the rural rehabilitation  
34 account, the stadium and exhibition center account, the youth athletic  
35 facility account, the self-insurance revolving fund, the children's  
36 trust fund, the Washington horse racing commission Washington bred  
37 owners' bonus fund and breeder awards account, the Washington horse  
38 racing commission class C purse fund account, the individual

1 development account program account, the Washington horse racing  
2 commission operating account (earnings from the Washington horse racing  
3 commission operating account must be credited to the Washington horse  
4 racing commission class C purse fund account), the life sciences  
5 discovery fund, the Washington state heritage center account, ((and))  
6 the reduced cigarette ignition propensity account, the center for  
7 childhood deafness and hearing loss account, ((and)) the school for the  
8 blind account, the Millersylvania park trust fund, the public  
9 employees' and retirees' insurance reserve fund, and the radiation  
10 perpetual maintenance fund.

11 (c) The following accounts and funds must receive eighty percent of  
12 their proportionate share of earnings based upon each account's or  
13 fund's average daily balance for the period: The advanced right-of-way  
14 revolving fund, the advanced environmental mitigation revolving  
15 account, the federal narcotics asset forfeitures account, the high  
16 occupancy vehicle account, the local rail service assistance account,  
17 and the miscellaneous transportation programs account.

18 (d) Any state agency that has independent authority over accounts  
19 or funds not statutorily required to be held in the custody of the  
20 state treasurer that deposits funds into a fund or account in the  
21 custody of the state treasurer pursuant to an agreement with the office  
22 of the state treasurer shall receive its proportionate share of  
23 earnings based upon each account's or fund's average daily balance for  
24 the period.

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

28 NEW SECTION. **Sec. 5.** Sections 1 and 2 of this act constitute a  
29 new chapter in Title 28B RCW.

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