

# SENATE BILL REPORT

## SSB 5746

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As Amended by House, March 2, 2018

**Title:** An act relating to the association of Washington generals.

**Brief Description:** Concerning the association of Washington generals.

**Sponsors:** Senate Committee on State Government, Tribal Relations & Elections (originally sponsored by Senators Kuderer and Pearson; by request of Lieutenant Governor).

**Brief History:**

**Committee Activity:** State Government: 2/17/17.

State Government, Tribal Relations & Elections: 1/19/18, 1/26/18 [DPS].

Transportation: 2/05/18, 2/06/18 [DPS(SGTE)].

**Floor Activity:**

Passed Senate: 2/10/18, 45-0.

Passed House: 3/02/18, 92-6.

### Brief Summary of First Substitute Bill

- Adds "expands educational and/or employment opportunities for youth, veterans, and people with disabilities in Washington State" to the purpose section for the Association of Washington Generals (AWG).
- Allows the AWG to operate a statewide Washington World Fellows program rather than an essay competition.
- Provides that members of the AWG board may be compensated and reimbursed for their travel expenses.
- Provides up to 25 percent of the Seattle Seahawks special license plate proceeds to the AWG to create equity focused educational opportunities, including the Washington World Fellows Program.

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### SENATE COMMITTEE ON STATE GOVERNMENT

**Staff:** Melissa Van Gorkom (786-7491)

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### SENATE COMMITTEE ON STATE GOVERNMENT, TRIBAL RELATIONS & ELECTIONS

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Majority Report:** That Substitute Senate Bill No. 5746 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hunt, Chair; Kuderer, Vice Chair; Miloscia, Ranking Member; Saldaña and Zeiger.

**Staff:** Melissa Van Gorkom (786-7491)

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## SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** That Substitute Senate Bill No. 5746 as recommended by Committee on State Government, Tribal Relations & Elections be substituted therefor, and the substitute bill do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member; Chase, Cleveland, Dhingra, Fortunato, Liias, McCoy, O'Ban, Sheldon, Takko, Wellman and Zeiger.

**Staff:** Bryon Moore (786-7726)

**Background:** Association of Washington Generals. The AWG is a service organization formed in 1970 by Lieutenant Governor John Cherberg. The AWG was recognized in statute by the Legislature in 2005 as a private, nonprofit, nonpartisan corporation with the purpose of recognizing outstanding service to the state and bringing those individuals together to serve as ambassadors of trade, tourism, and international goodwill.

The AWG is governed by a board of directors. The Governor, Lieutenant Governor, and the Secretary of State serve on the association's board of directors as ex officio non-voting members. The board will review nominations for and select new Washington generals, and establish the title of "honorary Washington general" to honor worthy individuals from outside of Washington.

The AWG may conduct activities in support of their mission, including establishing selection criteria for selecting Washington generals, operating an essay contest, and training and promoting the generals as ambassadors of Washington.

Special License Plate Fees. The Department of Licensing (DOL) issues special vehicle license plates that may be used in lieu of standard plates. A governmental or nonprofit sponsoring organization seeking to sponsor a special plate must submit documentation to the DOL that verifies the organization is either a 501c3 nonprofit as defined in federal law, or is located in Washington State and has registered as a charitable organization with the Secretary of State's Office. An organization may be permitted to sponsor a plate if it is a professional sports franchise and is using the profits in conjunction with a 501c3 nonprofit organization. A governmental body may also qualify for a special license plate.

In 2014, the Seattle Seahawks and Seattle Sounders FC special license plates were created. In addition to all fees and taxes that must be paid for a vehicle registration, a fee of \$40 is charged for an original issue of the special license plate, and a \$30 fee is charged upon renewal. The DOL collects special license plate fees and, for administrative expenses, deducts an amount not to exceed \$12 for new plate issuance and \$2 for renewal. After the costs associated with establishing the special license plates are recovered, proceeds from the

sale of the Seattle Sounders FC and Seattle Seahawks special license plates are distributed as follows:

1. *Seattle Sounders FC Special Plate.* Up to 30 percent, not to exceed \$40,000 annually, adjusted for inflation by the Office of Financial Management, goes to the AWG to develop educational, veterans, international relations, and civic projects, and to recognize the outstanding public service of individuals or groups. Seventy percent and any of the remaining proceeds after distributions are made to the AWG are for the nonprofit organization, Washington State Mentors, to increase the number of mentors in the state by offering mentoring grants throughout Washington that foster positive youth development and academic success. Up to 20 percent of this amount may be used for program administration costs.
2. *Seattle Seahawks Special Plate.* Proceeds are to be used by the nonprofit organization, InvestED, to encourage secondary students who have economic needs to stay in school, return to school, or get involved within their learning community.

**Summary of First Substitute Bill:** Association of Washington Generals. The purpose of the AWG is extended to include expanding educational and/or employment opportunities for youth, veterans, and people with disabilities in Washington State.

The AWG is authorized to operate a study abroad and college readiness fellowship called the Washington World Fellows program rather than a statewide essay competition.

Members of the AWG board may be compensated and reimbursed for their travel expenses.

Special License Plate Fees. The allocation of the Seattle Seahawks special license plate fees is adjusted. Up to 25 percent, goes to the AWG to create equity focused educational opportunities, including the Washington World Fellows Program. Seventy-five percent is retained by InvestED to encourage secondary students who have economic needs to stay in school, return to school, or get involved within their learning community.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill (State Government):** *Testimony from 2017 Regular Session.* PRO: The AWG has a long history that recognizes individuals that have outstanding service to the state and brings those individuals together to serve our state. The original idea stems from the Kentucky which has Colonels. Lt. Governor Cherberg felt that Washington should have a similar program and since generals outrank colonels, Washington members became Generals. This bill is important because it will expand opportunities for youth, veterans and others in the state. AWG is staffed by the Lieutenant Governor's office and it is important to have the purpose in the statute to ensure that the office can work together with the board to do this important work. This bill aligns

the appointment process with other associations and provides more structure. Under the new process board members would still be chosen among the Washington Generals.

**Persons Testifying (State Government):** PRO: Senator Patty Kuderer, Prime Sponsor; Cyrus Habib, Lieutenant Governor.

**Persons Signed In To Testify But Not Testifying (State Government):** No one.

**Staff Summary of Public Testimony on Proposed Substitute (State Government, Tribal Relations & Elections):** *The committee recommended a different version of the bill than what was heard.* PRO: This is a bill provides a more accurate reflection in statute of the roles and responsibilities of the AWG. This is an honor organization, much like the Kentucky Coronels but for Washington, that does important outreach to veterans international delegations. The Washington Generals have created a study abroad fellowship program for high school kids to provide the opportunity to study abroad and get college credit from Central Washington University, that's the Washington World Fellows program which is included in the bill. This Substitute provides a small portion of the Seahawks license plate revenue to AWG, similar to the sounders plate, to support this program which does have support of the Seahawks Association.

**Persons Testifying (State Government, Tribal Relations & Elections):** PRO: Senator Patty Kuderer, Prime Sponsor; Cyrus Habib, Lieutenant Governor.

**Persons Signed In To Testify But Not Testifying (State Government, Tribal Relations & Elections):** No one.

**Staff Summary of Public Testimony on First Substitute (Transportation):** PRO: This will provide new resources to expand opportunities for youth in the great programs of AWG. This aligns with AWGs goal and recent direction of our mission and focus. The study abroad and the college readiness fellowship will provide more equity of opportunities. The maintenance of the 75 percent allocation to InvestED will allow that program to continue to serve challenged students. The Seahawks are supportive of this change.

**Persons Testifying (Transportation):** PRO: Senator Patty Kuderer, Prime Sponsor; Cyrus Habib, Lieutenant Governor; Mike Flood, Seattle Seahawks.

**Persons Signed In To Testify But Not Testifying (Transportation):** No one.

#### **EFFECT OF HOUSE AMENDMENT(S):**

- Expands the purpose of the AWG to include expanding sports opportunities for youth, veterans, and people with disabilities.
- Requires the board of AWG to adopt bylaws and establish governance and transparency policies.
- Removes allowance for members of the AWG board to be compensated and reimbursed for their travel expenses.
- Changes the responsibility for administering the Washington World Fellows program from the AWG to the Lieutenant Governor's Office.

- Establishes the Seattle Mariners special license plate, creates the Seattle Mariners account, and repeals and removes the baseball stadium license plate provisions in statute.
- Creates a sports mentoring program and requires 75 percent of the Seattle Mariners license plate fees to fund the sports mentoring program, with at least 90 percent of the amounts received to be applied towards services directly provided to youth participants in the sports mentoring program.
- Specifies that 25 percent of the proceeds of the Seattle Seahawks special license plates and 25 percent to the Seattle Mariners license plate fee to go to the Office of Lieutenant Governor solely for the administration of the Washington World Fellows Program. At least 90 percent of the amounts received from the Seattle Seahawks special license plate must be applied towards fellowships under the program.
- Requires the Lieutenant Governor's Office to collaborate with the AWG in the administration of the Washington World Fellows and sports mentoring programs.
- Requires the Office of the Lieutenant Governor to post information on its website of funds received and expended by the AWG.
- Requires that an annual financial report be provided to the Legislature by January 15 of each year that details all revenues and expenditures associated with the new programs.
- Makes the provisions relating to the sports mentoring program and the Seattle Mariners special license plate effective January 1, 2019.