

SENATE BILL REPORT

SB 5709

As Reported by Senate Committee On:
Higher Education & Workforce Development, February 19, 2019

Title: An act relating to creating the Native American opportunity scholarship program.

Brief Description: Creating the Native American opportunity scholarship program. [**Revised for 1st Substitute:** Modifying the American Indian endowed scholarship program.]

Sponsors: Senators McCoy, Salomon, Hunt, Nguyen, Hasegawa, Hobbs, Saldaña, Conway, Keiser, Kuderer, Randall and Van De Wege.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/31/19, 2/19/19 [DPS-WM, DNP].

Brief Summary of First Substitute Bill

- Renames the American Indian Endowed Scholarship to be the Native American Endowed Scholarship.
- Creates the Native American Endowed Scholarship Board to be appointed by the governor on the recommendation of members of the House and Senate.
- Directs the Native American Endowed Scholarship Board to lead fundraising efforts for the scholarship program.
- Allows a state match for private grants and contributions to the scholarship fund.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5709 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Palumbo, Chair; Randall, Vice Chair; Liias and Wellman.

Minority Report: Do not pass.

Signed by Senators Holy, Ranking Member; Brown and Ericksen.

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.

Staff: Alicia Kinne-Clawson (786-7407)

Background: American Indian Endowed Scholarship. In 1990, the Legislature created the American Indian Endowed Scholarship. This program provides educational scholarships on a competitive basis to high-achieving, low-income resident students who have close social and cultural ties to an American Indian tribe or community within the state. Recipients demonstrate academic merit and a commitment to serve the American Indian communities in Washington.

Funding is prioritized for upper-division and graduate students. Students can use the scholarships at public colleges and many accredited independent colleges in Washington. In 2017-18, 14 students received the scholarship.

All donations and allotted funds are kept in a permanent endowment trust with the state treasurer. The interest earnings of that fund provide for the annual scholarship awards. Representatives of the American Indian community formed a nonprofit organization, Friends of American Indians in Education, to promote and coordinate fundraising activities for the scholarship.

Summary of Bill (First Substitute): The American Indian Endowed Scholarship is renamed the Native American Endowed Scholarship (NAES). The Office of Student Financial Assistance is responsible for administration of the NAES program.

The advisory committee is eliminated and the Native American endowed scholarship board is created. The board consists of seven members appointed by the Governor. At least four members must be from a federally recognized Indian tribe within Washington and at least one of these tribal members must be from a Tribe east of the Cascade mountain range. The board has the following responsibilities:

- establishing fundraising goals and leading fundraising activities;
- providing oversight of the program;
- selecting participants for the program;
- naming scholarships;
- determining eligible degree programs for participants; and
- distributing awards.

The office must submit an annual report regarding the program which may include amounts fundraised, number of applicants, number of participants,

The council and board may elect to have the State Investment Board invest the funds. A state match may be provided to private grants and contributions to the Native American Endowed Scholarship Fund.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (First Substitute):

- Renames the American Indian Endowed Scholarship to be the Native American Endowed Scholarship.

- Creates the Native American Endowed Scholarship Board to be appointed by the governor on the recommendation of members of the House and Senate.
- Directs the board to lead fundraising efforts for the scholarship program.
- Requires that the student achievement council staff the board and administer the scholarship.
- Allows the State Investment Board to invest and manage the scholarship funds.
- Allows that a state match may be provided to private grants and contributions.

Appropriation: None.

Fiscal Note: Requested on January 28, 2019.

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: *The committee recommended a different version of the bill than what was heard.* PRO: With a new structure and new publicity around this bill we think we can create more opportunities for Native American students. The idea is that tribes will raise money for these scholarships and then the state will match it. This builds on the Opportunity Scholarship Program but is broader because it allows liberal arts majors to qualify. We have an American Indian studies program which was established over 50 years ago and is geared towards the retention and recruitment of this population of students. We appreciate that this bill may help us in those endeavors. We also appreciate that it has tribal representation from both sides of the states and applies broadly to all types of majors. This legislation is geared towards the types of students who I grew up with who were often in poverty. This bill can help with the achievement gap for Native American youth and help lift those kids out of poverty. This kind of partnership between tribes and the state can help some of our most vulnerable populations.

Persons Testifying: PRO: Senator John McCoy, Prime Sponsor; Charles Adkins, Director of Legislative Affairs, Geoduck Student Union of the Evergreen State College; David Buri, Eastern Washington University.

Persons Signed In To Testify But Not Testifying: No one.