

SENATE BILL REPORT

SB 5750

As of January 31, 2022

Title: An act relating to designating the Washington state leadership board a trustee of the state of Washington.

Brief Description: Designating the Washington state leadership board a trustee of the state of Washington.

Sponsors: Senators Wilson, C. and Kuderer; by request of Lieutenant Governor.

Brief History:

Committee Activity: State Government & Elections: 1/19/22, 1/21/22 [DP-TRAN].
Transportation: 1/31/22.

Brief Summary of Bill

- Designates the Washington State Leadership Board (WSLB) as a trustee of the state of Washington.
- Updates the purpose of the WSLB.
- Creates the WSLB account and WSLB Special License Plate account.

SENATE COMMITTEE ON STATE GOVERNMENT & ELECTIONS

Majority Report: Do pass and be referred to Committee on Transportation.

Signed by Senators Hunt, Chair; Kuderer, Vice Chair; Wilson, J., Ranking Member; Hasegawa and Hawkins.

Staff: Melissa Van Gorkom (786-7491)

SENATE COMMITTEE ON TRANSPORTATION

Staff: Bryon Moore (786-7726)

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

Background: Washington State Leadership Board. The Washington State Leadership Board (WSLB), formerly the Association of Washington Generals, is a service organization formed in 1970 by Lieutenant Governor John Cherberg. The WSLB was recognized in statute by the Legislature in 2005 as a private, nonprofit, nonpartisan corporation. The purpose of the WSLB is to provide leadership opportunities for youth, veterans, and people with disabilities; recognizing outstanding service to the state; and bringing individuals together to serve as ambassadors of trade, tourism, and international goodwill. The WSLB may conduct activities in support of their mission.

The WSLB is governed by a board of directors. The Governor, Lieutenant Governor, Secretary of State, and four legislative members appointed by the President of the Senate and the Speaker of the House serve on the board of directors as ex officio non-voting members. The board of directors adopts bylaws and establishes governance and transparency policies for the WSLB.

The WSLB receives some funding from the proceeds of special license plates as follows:

- all but \$25,000 per year of the net proceeds from the Seattle Storm special license plate for the purpose of providing grants to support and enhance athletic, recreational, and other opportunities for women and girls, and especially those with disabilities; and
- up to 30 percent, not to exceed \$40,000 annually—as adjusted for inflation by the Office of Financial Management—from the proceeds of the Seattle Sounders FC special license plate to develop Washington State educational, veterans, international relations, and civics projects and to recognize the outstanding public service of individuals or groups in the state of Washington.

Office of the Lieutenant Governor. The Office of the Lieutenant Governor (LTG) may provide technical and financial assistance for the WSLB where the work of the board aligns with the mission of the office and includes, but may not be limited to the Sports Mentoring Program, Boundless Washington, and the Washington World Fellows Program.

Sports Mentoring Program. The Sports Mentoring program was established by the Legislature in 2019 to enable eligible nonprofit community-based organizations to provide opportunities for underserved youth to join sports teams or otherwise participate in area sports. The LTG collaborates with the WSLB to issue competitive grants to eligible organizations. Seventy-five percent of the proceeds from the Seattle Mariners special license plate goes to the LTG solely for the purpose of administering the Sports Mentoring program to encourage youth who have economic needs or face adversities to experience spectator sports or get involved in youth sports. At least 90 percent of the amounts received must be applied towards services directly provided to youth participants.

Boundless Washington. Boundless Washington is an outdoor leadership program for young people with disabilities. Under the statute, the Boundless Washington program will satisfy the terms of the sports mentoring program if approved by the board. Twenty-five percent of

the proceeds from the Seattle NHL Hockey special license plate goes to the LTG solely to administer the program to facilitate opportunities for young people with physical and sensory disabilities to enjoy and experience the outdoors.

Washington World Fellows Program. The Washington World Fellows program is a college readiness and study abroad fellowship administered by the LTG in collaboration with WSLB. Up to 25 percent of the proceeds from the Seattle Seahawks special license plate goes to the LTG solely to administer the program. At least 90 percent of the amounts received must be provided as fellowships under the program. In addition, up to 25 percent of the proceeds from the Seattle Mariners special license plate goes to the LTG solely to administer the program.

The LTG may assist WSLB with the compilation of a yearly financial report, which must be made available to the Legislature by January 15th of each year, detailing the revenues and expenditures associated with the Washington World Fellows and Sports Mentoring programs. The LTG must post on its website detailed information on all revenues and expenditures of the WSLB.

Special License Plate Fees. The Department of Licensing (DOL) issues special vehicle license plates that may be used in lieu of standard plates. A fee of \$40 is charged for an original issue of the special license plate, and a \$30 fee is charged upon renewal. 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, all remaining proceeds are distributed to the appropriate special license plate account. Funds are disbursed under contract between DOL and qualified nonprofit organizations, subject to the conditions outlined in the statute. Funds from the Seattle Seahawks Account and the Seattle Mariners Account may be provided to the LTG. The accounts are subject to allotment procedures, but an appropriation is not required.

Summary of Bill: Washington State Leadership Board. The WSLB is designated a trustee for the state of Washington. The WSLB will appoint an executive director with the consent of the Lieutenant Governor. The Lieutenant Governor may remove the executive director for cause if majority of the WSLB votes for removal.

The purpose of the WSLB is updated as follows:

- WSLB will no longer bring together those individuals to serve the state as ambassadors of trade, tourism, and international goodwill; and
- programs to expand educational, sports, leadership, and employment opportunities for youth, veterans, and people with disabilities are identified.

The WSLB will administer the Washington World Fellows, Sports Mentoring, Boundless Washington, and Compassion Scholars programs. The board of directors may approve Boundless Washington as satisfying the terms of the Sports Mentoring program.

The WSLB account is created which may be spent only after appropriations. The WSLB must post on its website detailed information on all revenues and expenditures of the board.

Office of the Lieutenant Governor. The LTG may provide facilities and administrative support for WSLB where the work of the board aligns with the mission of the office, which may include, but is not limited to collaboration with WSLB on the Washington World Fellows and Sports Mentoring programs.

Special License Plates. Special license plate funds previously provided to the LTG from the Seattle Seahawks Account, the Seattle Mariners Account, and the Seattle NHL Hockey Account now go to the WSLB to administer the Washington World Fellows, Sports Mentoring and Boundless Washington programs.

The WSLB Special License Plate Account is created. Funds received from special license plates must be deposited into the account. The account is subject to allotment procedures but an appropriation is not required for expenditures. Expenditures from the account may be authorized by the WSLB executive director or their designee. The WSLB special license plate account may accept gifts, grants, or endowments made from public and private sources.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill takes effect on July 1, 2022.

Staff Summary of Public Testimony (State Government & Elections): PRO: This organization goes back to 1970 with a wonderful record to have scholars involved in government. The bill helps realign the board to continue the mission to reach out to future leaders of underrepresented communities. The bill designates WSLB as a trustee of the state which is the same status as our two state historical societies, while they are entrusted with artifacts of our past, the board is entrusted with our greatest treasure, our young people. This bill came about as a result of events that occurred last year where inappropriate financial arrangements were made. The issue was submitted to the executive ethics board who investigated and found probable cause that senior staff committed violations of the Ethics in Public Service Act. The case continues to be adjudicated. The bill attempts to correct this so that it does not occur in the future. It is important that an organization so focused on the development of our youth takes integrity seriously and instills those lessons in our young people and young leaders. Leadership is about holding power to account. This bill implements safeguards for the board moving forward.

The Washington World Fellows Program helped me gain confidence to achieve things in the future and encouraged me to go to college. Growing up in generational poverty and domestic violence, this program has been an introduction to the world and what is possible. The World Fellows Program provides a community filled with acceptance and friendships that allow individuals to be a part of something. The WSLB uplifts youth, rather than directing them. Students excel in this program during and after their participation. This will provide stability to the organization and help the board complete its mission.

Persons Testifying (State Government & Elections): PRO: Senator Claire Wilson, Prime Sponsor; Phil Gardner, Office of Lieutenant Governor; Israel Lopez, Washington World Fellows Program, Legislative Youth Advisory Council; Kellen Hoard, Washington State Leadership Board; Dale Bright, Washington State Leadership Board; Audrey Baker, Washington State Leadership Board; Jaida Barrows, Washington State Leadership Board; Emma Brown, Current student of a WSLB program.

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

Staff Summary of Public Testimony (Transportation): PRO: This creates an independent structure for the delivery of the various programs funded with special license plate revenue. The changes and consolidation under the State Leadership Board will provide the needed reforms and allow for greater oversight. This is responsive to some ethics issues that were identified with the previous structure for these programs. The special license plate revenue are supporting valuable programs, most of which are targeted at low income youth or students of color. The bill maintains the support for these valuable programs going forward. This allows us to turn the page and establish the framework for the future. This program is providing the the needed supports for these students to be successful in accomplishing their educational goals. This provides the safety net that many kids need and this is unlike what is offered in other states.

Persons Testifying (Transportation): PRO: Senator Claire Wilson, Prime Sponsor; Phil Gardner, Office of Lt. Governor; Amy Ubungen, Washington State Leadership Board; Geobanny Pineda Cuevas, Washington State Leadership Board Alumni Board Director.

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