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**SUBSTITUTE SENATE BILL 5789**

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**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** Senate Higher Education & Workforce Development (originally sponsored by Senators Randall, Nobles, Conway, Das, Frockt, Kuderer, Llias, Nguyen, and C. Wilson; by request of Student Achievement Council)

READ FIRST TIME 01/28/22.

1 AN ACT Relating to creating the Washington career and college  
2 pathways innovation challenge program; amending RCW 28B.120.040;  
3 reenacting and amending RCW 43.79A.040; adding a new chapter to Title  
4 28B RCW; and repealing RCW 28B.120.005, 28B.120.010, 28B.120.020,  
5 28B.120.025, 28B.120.030, and 28B.120.900.

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

7 NEW SECTION. **Sec. 1.** (1) The Washington career and college  
8 pathways innovation challenge program is established. The purpose of  
9 the program is to meet statewide educational attainment goals  
10 established in RCW 28B.77.020 by developing local and regional  
11 partnerships that foster innovations to:

12 (a) Increase postsecondary enrollment, success, and completion  
13 for students enrolling directly from high school and adults returning  
14 to education;

15 (b) Eliminate educational opportunity gaps for students of color,  
16 English language learners, students with disabilities, opportunity  
17 youth, and foster and homeless youth;

18 (c) Enhance the ability of Washington residents to achieve their  
19 own goals in life; and

20 (d) Increase the skills and talents of Washington's workforce.

1 (2) (a) The student achievement council shall administer the  
2 program and award grants, based on a competitive grant process, to  
3 local and regional partnerships that represent cross-sector  
4 collaborations among education and higher education agencies and  
5 institutions, local education agencies, local government, community-  
6 based organizations, employers, and other local entities.

7 (b) In awarding the grants, the student achievement council shall  
8 consider applications that meet at least one of the following  
9 criteria:

10 (i) Plan and pilot innovative initiatives to raise educational  
11 attainment and reach new populations;

12 (ii) Engage community-based organizations and resources to reach  
13 the range of populations living in the region;

14 (iii) Develop programs that recognize the needs of specific  
15 populations to be successful in postsecondary education and training;

16 (iv) Expand the use of integrated work-based learning models and  
17 career connected learning;

18 (v) Provide financial support to cover expenses beyond  
19 educational tuition and fees, and other services and supports for  
20 students to enroll and complete education and training;

21 (vi) Further the development of innovations, such as the use of  
22 mastery-based measurements of student achievement as the basis for  
23 awarding degrees and certificates, expansion of accelerated programs,  
24 and alternative scheduling to meet working adult needs; and

25 (vii) Include local matching funds.

26 (c) In administering the program the student achievement council  
27 may hire staff to support grant oversight and provide technical  
28 assistance to grantees.

29 (d) The student achievement council shall provide a report each  
30 year by September 1st to the governor and the education and higher  
31 education committees of the legislature. The report shall:

32 (i) Describe grants awarded;

33 (ii) Report the progress of each local and regional partnership  
34 by reporting on high school graduation, postsecondary enrollment, and  
35 completion for each of the regions that partnerships serve; and

36 (iii) Disaggregate data by income, race, ethnicity, and other  
37 demographic characteristics.

38 **Sec. 2.** RCW 28B.120.040 and 2012 c 229 s 575 are each amended to  
39 read as follows:

1       The (~~student achievement council fund for innovation and~~  
2 ~~quality~~) Washington career and college pathways innovation challenge  
3 program account is hereby established in the custody of the state  
4 treasurer. The student achievement council shall deposit in the fund  
5 all moneys received (~~under RCW 28B.120.030~~) for the Washington  
6 career and college pathways innovation challenge program. Moneys in  
7 the fund may be spent only for the purposes of (~~RCW 28B.120.010 and~~  
8 ~~28B.120.020~~) awarding grants under the Washington career and college  
9 pathways innovation challenge program. Disbursements from the fund  
10 shall be on the authorization of the student achievement council. The  
11 fund is subject to the allotment procedure provided under chapter  
12 43.88 RCW, but no appropriation is required for disbursements.

13       NEW SECTION.       **Sec. 3.** The student achievement council may  
14 solicit and receive such gifts, grants, and endowments from public or  
15 private sources as may be made from time to time, in trust or  
16 otherwise, for the use and benefit of the purposes of the program and  
17 may expend the same or any income therefrom according to the terms of  
18 the gifts, grants, or endowments.

19       **Sec. 4.** RCW 43.79A.040 and 2021 c 175 s 10 and 2021 c 108 s 5  
20 are each reenacted and amended to read as follows:

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

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

29       (3) The investment income account may be utilized for the payment  
30 of purchased banking services on behalf of treasurer's trust funds  
31 including, but not limited to, depository, safekeeping, and  
32 disbursement functions for the state treasurer or affected state  
33 agencies. The investment income account is subject in all respects to  
34 chapter 43.88 RCW, but no appropriation is required for payments to  
35 financial institutions. Payments must occur prior to distribution of  
36 earnings set forth in subsection (4) of this section.

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

4 (b) The following accounts and funds must receive their  
5 proportionate share of earnings based upon each account's or fund's  
6 average daily balance for the period: The 24/7 sobriety account, the  
7 Washington promise scholarship account, the Gina Grant Bull memorial  
8 legislative page scholarship account, the Rosa Franklin legislative  
9 internship program scholarship (~~(account)~~) account, the Washington  
10 advanced college tuition payment program account, the Washington  
11 college savings program account, the accessible communities account,  
12 the Washington achieving a better life experience program account,  
13 the Washington career and college pathways innovation challenge  
14 program account, the community and technical college innovation  
15 account, the agricultural local fund, the American Indian scholarship  
16 endowment fund, the foster care scholarship endowment fund, the  
17 foster care endowed scholarship trust fund, the contract harvesting  
18 revolving account, the Washington state combined fund drive account,  
19 the commemorative works account, the county enhanced 911 excise tax  
20 account, the county road administration board emergency loan account,  
21 the toll collection account, the developmental disabilities endowment  
22 trust fund, the energy account, the fair fund, the family and medical  
23 leave insurance account, the fish and wildlife federal lands  
24 revolving account, the natural resources federal lands revolving  
25 account, the food animal veterinarian conditional scholarship  
26 account, the forest health revolving account, the fruit and vegetable  
27 inspection account, the educator conditional scholarship account, the  
28 game farm alternative account, the GET ready for math and science  
29 scholarship account, the Washington global health technologies and  
30 product development account, the grain inspection revolving fund, the  
31 Washington history day account, the industrial insurance rainy day  
32 fund, the juvenile accountability incentive account, the law  
33 enforcement officers' and firefighters' plan 2 expense fund, the  
34 local tourism promotion account, the low-income home rehabilitation  
35 revolving loan program account, the multiagency permitting team  
36 account, the northeast Washington wolf-livestock management account,  
37 the produce railcar pool account, the public use general aviation  
38 airport loan revolving account, the regional transportation  
39 investment district account, the rural rehabilitation account, the  
40 Washington sexual assault kit account, the stadium and exhibition

1 center account, the youth athletic facility account, the self-  
2 insurance revolving fund, the children's trust fund, the Washington  
3 horse racing commission Washington bred owners' bonus fund and  
4 breeder awards account, the Washington horse racing commission class  
5 C purse fund account, the individual development account program  
6 account, the Washington horse racing commission operating account,  
7 the life sciences discovery fund, the Washington state library-  
8 archives building account, the reduced cigarette ignition propensity  
9 account, the center for deaf and hard of hearing youth account, the  
10 school for the blind account, the Millersylvania park trust fund, the  
11 public employees' and retirees' insurance reserve fund, the school  
12 employees' benefits board insurance reserve fund, the public  
13 employees' and retirees' insurance account, the school employees'  
14 insurance account, the long-term services and supports trust account,  
15 the radiation perpetual maintenance fund, the Indian health  
16 improvement reinvestment account, the department of licensing tuition  
17 recovery trust fund, the student achievement council tuition recovery  
18 trust fund, the tuition recovery trust fund, the industrial insurance  
19 premium refund account, the mobile home park relocation fund, the  
20 natural resources deposit fund, the Washington state health insurance  
21 pool account, the federal forest revolving account, and the library  
22 operations account.

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

30 (d) Any state agency that has independent authority over accounts  
31 or funds not statutorily required to be held in the custody of the  
32 state treasurer that deposits funds into a fund or account in the  
33 custody of the state treasurer pursuant to an agreement with the  
34 office of the state treasurer shall receive its proportionate share  
35 of earnings based upon each account's or fund's average daily balance  
36 for the period.

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

1        NEW SECTION.    **Sec. 5.**    The following acts or parts of acts are  
2 each repealed:

3        (1) RCW 28B.120.005 (Findings) and 2010 c 245 s 6, 1999 c 169 s  
4 2, & 1991 c 98 s 1;

5        (2) RCW 28B.120.010 (Washington fund for innovation and quality  
6 in higher education program—Incentive grants) and 2012 c 229 s 571,  
7 2010 c 245 s 7, 1999 c 169 s 5, 1996 c 41 s 1, & 1991 c 98 s 2;

8        (3) RCW 28B.120.020 (Program administration—Powers and duties of  
9 student achievement council) and 2012 c 229 s 572, 2011 1st sp.s. c  
10 11 s 235, 2010 c 245 s 8, 1999 c 169 s 3, 1996 c 41 s 2, & 1991 c 98  
11 s 3;

12        (4) RCW 28B.120.025 (Program administration—Powers and duties of  
13 state board for community and technical colleges) and 2012 c 229 s  
14 573 & 1999 c 169 s 4;

15        (5) RCW 28B.120.030 (Receipt of gifts, grants, and endowments)  
16 and 2012 c 229 s 574, 1999 c 169 s 6, & 1991 c 98 s 4; and

17        (6) RCW 28B.120.900 (Intent—1999 c 169) and 1999 c 169 s 1.

18        NEW SECTION.    **Sec. 6.**    Sections 1 and 3 of this act constitute a  
19 new chapter in Title 28B RCW.

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