the district, no payment shall be made to the city or town or fire protection district.

(2) As provided in RCW 35.02.210, the fire protection district from which territory is removed as a result of an incorporation or annexation shall provide fire protection to the incorporated or annexed area for such period as the district continues to collect taxes levied in such annexed or incorporated area.

(3) For the purposes of this section, the word "assets" shall mean the total assets of the fire district, reduced by its liabilities, including bonded indebtedness, the same to be determined by usual and accepted accounting methods. The amount of said liability shall be determined by reference to the fire district's balance sheet, produced in the regular course of business, which is nearest in time to the certification of the annexation of fire district territory by the city or town.

Passed the House February 8, 1989. Passed the Senate April 4, 1989. Approved by the Governor April 19, 1989. Filed in Office of Secretary of State April 19, 1989.

CHAPTER 77

[Substitute Senate Bill No. 5531] EXCELLENCE IN EDUCATION AWARDS—GRANTS AND STIPENDS

AN ACT Relating to the award for excellence in education program; amending RCW 28A.03.523 and 28A.03.535; creating a new section; and repealing RCW 28B.15.547.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 2, chapter 147, Laws of 1986 as last amended by section 1, chapter 251, Laws of 1988 and RCW 28A.03.523 are each amended to read as follows:

(1) The superintendent of public instruction shall establish an annual award program for excellence in education to recognize teachers, principals, administrators, school district superintendents, and school boards for their leadership, contributions, and commitment to education. The program shall recognize annually:

(a) Three teachers from each congressional district of the state. One individual must be an elementary level teacher, one must be a junior high or middle school level teacher, and one must be a secondary level teacher. Teachers shall include educational staff associates;

(b) Three principals or administrators from each congressional district of the state;

(c) One school district superintendent from the state; and

(d) One school district board of directors from the state.

Not more than three teachers and three principals or administrators from each congressional district and one superintendent and one school board from the state may be recognized and receive awards in any school year.

(2) The awards for teachers and principals or administrators shall include certificates presented by the governor and the superintendent of public instruction at a public ceremony or ceremonies in appropriate locations.

(3) In addition to certificates under subsection (2) of this section, awards for teachers and principals or administrators shall include:

(a) A ((waiver of tuition and fees under RCW 28B.15.547)) grant equal to one year's tuition at any state institution of higher education for a student attending a state institution of higher education or a grant equal to the average tuition at the state comprehensive and research universities for a student attending an independent college or university as defined in RCW 28B.80.245 and a stipend not to exceed one thousand dollars to cover costs incurred in taking courses ((for which the tuition and fees have been waived under this subsection and RCW 28B.15.547)) under this grant. Courses paid for under this section shall be completed within four years after the award is received. The grant and stipend shall not be considered compensation for the purposes of RCW 28A.58.0951; or

(b) Teachers and principals or administrators, at their discretion, may elect to forego ((the waiver of tuition and fees and)) the grant and stipend under ((subsection (3))) (a) of this ((section)) subsection and apply for ((π)) an educational grant not to exceed one thousand dollars, which grant shall be awarded under the provisions of RCW 28A.03.535.

Within one year of receiving the award for excellence in education, teachers and principals or administrators shall notify the superintendent of public instruction in writing of their decision to apply for ((a)) an educational grant or to receive ((the waiver of tuition and fees and the stipend under subsection (3) of this section)) a grant and stipend to attend a state institution of higher education or an independent college or university as defined in RCW 28B.80.245.

(4) All grants and stipends awarded under RCW 28A.03.520 through 28A.03.538 shall be administered by the higher education coordinating board. The board shall adopt rules providing for the disbursal of the grants and stipends and any repayments from recipients who do not meet the obligations of the grants and stipends.

Sec. 2. Section 7, chapter 147, Laws of 1986 as amended by section 3, chapter 251, Laws of 1988 and RCW 28A.03.535 are each amended to read as follows:

Teachers and principals or administrators who have received an award for excellence in education under RCW 28A.03.523 shall be eligible to apply for an educational grant in lieu of ((receiving a waiver of tuition and fees and)) a grant and stipend to attend a state institution of higher education or an independent college or university as defined in RCW 28B.80.245 as provided under RCW 28A.03.523(3). The superintendent of public instruction shall award the educational grant as long as a written grant application is submitted to the superintendent of public instruction within one year after the award was received. The grant application shall identify the educational purpose toward which the educational grant shall be used.

<u>NEW SECTION.</u> Sec. 3. Section 6, chapter 147, Laws of 1986 and RCW 28B.15.547 are each repealed.

<u>NEW SECTION.</u> Sec. 4. If specific funding for the purposes of this act, referencing this act by bill number, is not provided by June 30, 1989, in the omnibus appropriations act, this act shall be null and void.

Passed the Senate March 14, 1989. Passed the House April 6, 1989. Approved by the Governor April 19, 1989. Filed in Office of Secretary of State April 19, 1989.

CHAPTER 78

[Senate Bill No. 5580] STATE AGENCIES—WRITE-OFF OF UNCOLLECTIBLE DEBTS

AN ACT Relating to agency write-offs of uncollectible accounts; amending RCW 50.24-.200, 74.20A.220, 82.32.340, and 43.20B.030; and repealing RCW 43.20B.365 and 43.20B.625.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 8, chapter 286, Laws of 1955 as amended by section 16, chapter 190, Laws of 1979 ex. sess. and RCW 50.24.200 are each amended to read as follows:

The commissioner may charge off as uncollectible and no longer an asset of the unemployment compensation fund or the administrative contingency fund, as the case may be, any delinquent contributions, interest((s)), penalties, credits, or benefit overpayments ((at any time after three years from the date of delinquency or service of notice of benefit overpayment;)) if the commissioner ((and the attorney general are)) is satisfied that there are no ((available and lawful means by which such)) cost-effective means of collecting the contributions, interest, penalties, credits, or benefit overpayments ((may thereafter be collected)).

Sec. 2. Section 22, chapter 164, Laws of 1971 ex. sess. as last amended by section 16, chapter 171, Laws of 1979 ex. sess. and RCW 74.20A.220 are each amended to read as follows:

Any support debt due the department from a responsible parent ((which the secretary deems uncollectible may be transferred from accounts