<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House March 11, 1987.

Passed the Senate April 9, 1987.

Approved by the Governor April 22, 1987.

Filed in Office of Secretary of State April 22, 1987.

CHAPTER 147

[Second Substitute House Bill No. 257] GRADUATE FELLOWSHIP TRUST FUND PROGRAM

AN ACT Relating to fellowships for graduate students; and adding new sections to chapter 28B.10 RCW.

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

<u>NEW SECTION</u>. Sec. 1. The legislature recognizes that quality in the state's public four-year institutions of higher education would be strengthened by additional partnerships between citizens and the institutions. The legislature intends to foster these partnerships by creating a matching grant program to assist public four-year institutions of higher education in creating endowments for funding fellowships for distinguished graduate students.

NEW SECTION. Sec. 2. The Washington graduate fellowship trust fund program is established. The program shall be administered by the higher education coordinating board. The trust fund shall be administered by the state treasurer.

NEW SECTION. Sec. 3. Funds appropriated by the legislature for the graduate fellowship program shall be deposited in the graduate fellowship trust fund. All moneys deposited in the fund shall be invested by the state treasurer. Notwithstanding RCW 43.84.090, all earnings of investments of balances in the fund shall be credited to the fund. At the request of the higher education coordinating board under section 5 of this act, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund.

<u>NEW SECTION</u>. Sec. 4. In consultation with eligible institutions of higher education, the higher education coordinating board shall set guidelines for the program. These guidelines may include an allocation system based on factors which include but are not limited to: The amount of money available in the trust fund; characteristics of the institutions including the size of the faculty and student body; and the number of fellowships previously received.

Any allocation system shall be superseded by conditions in any legislative act appropriating funds for the program.

<u>NEW SECTION</u>. Sec. 5. (1) All state four-year institutions of higher education shall be eligible for matching trust funds. Institutions may apply to the higher education coordinating board for twenty-five thousand dollars from the fund when they can match the state funds with equal pledged or contributed private donations. These donations shall be made specifically to the graduate fellowship program, and shall be donated after July 1, 1987.

- (2) Upon an application by an institution, the board may designate twenty-five thousand dollars from the trust fund for that institution's pledged graduate fellowship fund. If the pledged twenty-five thousand dollars is not received within two years, the board shall make the designated funds available for another pledged graduate fellowship fund.
- (3) Once the private donation is received by the institution, the higher education coordinating board shall ask the state treasurer to release the state matching funds to a local endowment fund established by the institution for the graduate fellowships.

<u>NEW SECTION.</u> Sec. 6. (1) The fellowship is the property of the institution and may be named in honor of a donor, benefactor, or honoree of the institution, at the option of the institution.

- (2) The institution is responsible for soliciting private donations, investing and maintaining all endowment funds, administering the fellowship, and reporting on the program to the governor and the legislature upon request. The institution may augment the endowment fund with additional private donations. The principal of the invested endowment fund shall not be invaded.
- (3) The proceeds from the endowment fund may be used to provide fellowship stipends to be used by the recipient for such things as tuition and fees, subsistence, research expenses, and other educationally related costs.

<u>NEW SECTION.</u> Sec. 7. Any private or public money, including all investment income, deposited in the Washington graduate fellowship trust fund or any local endowment for fellowship programs shall not be subject to collective bargaining.

NEW SECTION. Sec. 8. (1) After consulting with the higher education coordinating board and the state four-year institutions of higher education, the governor may transfer the administration of this program to another agency which has an appropriate educationally related mission.

(2) By December 1, 1989, the higher education coordinating board and any agency administering this program, if applicable, shall make recommendations to the governor and the legislature on any needed changes in the program.

NEW SECTION. Sec. 9. Sections 1 through 8 of this act are added to chapter 28B.10 RCW.

Passed the House March 18, 1987.

Passed the Senate April 7, 1987.

Approved by the Governor April 22, 1987.

Filed in Office of Secretary of State April 22, 1987.

CHAPTER 148

[Substitute House Bill No. 60]
COMMERCIAL FISHERMEN PROCESSOR LIENS

AN ACT Relating to processor liens for commercial fishermen; and amending RCW 60-13.010, 60.13.020, 60.13.040, 60.13.050, and 60.13.060.

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

Sec. 1. Section 1, chapter 412, Laws of 1985 and RCW 60.13.010 are each amended to read as follows:

As used in this chapter, the terms defined in this section have the meanings indicated unless the context clearly requires otherwise.

- (1) "Agricultural product," "conditioner," "consignor," "person," "processor," and "producer" have the meanings defined in RCW 20.01.010.
- (2) "Preparer" means a person engaged in the business of feeding livestock or preparing livestock products for market.
- (3) "Commercial fisherman" means a person licensed to fish commercially for or to take food fish or shellfish or steelhead legally caught pursuant to executive order, treaty right, or federal statute.
- (4) "Fish" means food fish or shellfish or steelhead legally caught pursuant to executive order, treaty right, or federal statute.
- Sec. 2. Section 2, chapter 412, Laws of 1985 and RCW 60.13.020 are each amended to read as follows:

Starting on the date a producer delivers any agricultural product to a processor or conditioner, the producer has a first priority statutory lien, referred to as a "processor lien." A commercial fisherman who delivers fish to a processor also has a first priority statutory "processor lien" starting on the date the fisherman delivers fish to the processor. This processor lien shall continue until twenty days after payment for the product is due and remains unpaid, without filing any notice of lien, for the contract price, if any, or the fair market value of the products delivered. The processor lien attaches to the agricultural products or fish delivered, to the processor's or conditioner's inventory, and to the processor's or conditioner's accounts receivable. However, no processor lien may attach to agricultural products or fish delivered by a producer or commercial fisherman, or on the producer's or fisherman's