
HOUSE BILL 1113

State of Washington

61st Legislature

2009 Regular Session

By Representatives Driscoll, Warnick, Dunshee, Probst, Carlyle, Wallace, White, Chase, Ormsby, Sequist, Simpson, Goodman, Wood, Sullivan, Maxwell, Orwall, Hinkle, and Santos

Read first time 01/14/09. Referred to Committee on Capital Budget.

1 AN ACT Relating to financing the school construction assistance
2 grant program; amending 2008 c 328 s 5001 (uncodified); adding a new
3 chapter to Title 43 RCW; making an appropriation; and declaring an
4 emergency.

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

6 NEW SECTION. **Sec. 1.** For the purpose of providing funds to
7 finance the school construction assistance grant program described and
8 authorized by the legislature in the capital appropriations acts for
9 the 2007-2009 and 2009-2011 fiscal biennia, and all costs incidental
10 thereto, the state finance committee is authorized to issue general
11 obligation bonds of the state of Washington in the sum of one hundred
12 thirty-three million dollars, or as much thereof as may be required, to
13 finance these projects and all costs incidental thereto. Bonds
14 authorized in this section may be sold at such price as the state
15 finance committee shall determine. No bonds authorized in this section
16 may be offered for sale without prior legislative appropriation of the
17 net proceeds of the sale of the bonds.

1 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds
2 authorized in section 1 of this act shall be deposited in the state
3 building construction account created by RCW 43.83.020. If the state
4 finance committee deems it necessary to issue taxable bonds in order to
5 comply with federal internal revenue service rules and regulations
6 pertaining to the use of nontaxable bond proceeds, the proceeds of such
7 taxable bonds shall be transferred to the state taxable building
8 construction account in lieu of any deposits otherwise provided by this
9 section. The state treasurer shall submit written notice to the
10 director of financial management if it is determined that any such
11 transfer to the state taxable building construction account is
12 necessary. Moneys in the account may be spent only after
13 appropriation.

14 These proceeds shall be used exclusively for the purposes specified
15 in this section and for the payment of expenses incurred in the
16 issuance and sale of the bonds issued for the purposes of this section,
17 and shall be administered by the office of financial management subject
18 to legislative appropriation.

19 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond
20 retirement account shall be used for the payment of the principal of
21 and interest on the bonds authorized in this act.

22 (2) The state finance committee shall, on or before June 30th of
23 each year, certify to the state treasurer the amount needed in the
24 ensuing twelve months to meet the bond retirement and interest
25 requirements on the bonds authorized in section 1 of this act.

26 (3) On each date on which any interest or principal and interest
27 payment is due on bonds issued for the purposes of this act, the state
28 treasurer shall withdraw from any general state revenues received in
29 the state treasury and deposit in the debt-limit general fund bond
30 retirement account an amount equal to the amount certified by the state
31 finance committee to be due on the payment date.

32 NEW SECTION. **Sec. 4.** (1) Bonds issued under sections 1 through 3
33 of this act shall state that they are a general obligation of the state
34 of Washington, shall pledge the full faith and credit of the state to
35 the payment of the principal thereof and the interest thereon, and

1 shall contain an unconditional promise to pay the principal and
2 interest as the same shall become due.

3 (2) The owner and holder of each of the bonds or the trustee for
4 the owner and holder of any of the bonds may by mandamus or other
5 appropriate proceeding require the transfer and payment of funds as
6 directed in this section.

7 NEW SECTION. **Sec. 5.** The legislature may provide additional means
8 for raising moneys for the payment of the principal of and interest on
9 the bonds authorized in section 1 of this act, and sections 2 and 3 of
10 this act shall not be deemed to provide an exclusive method for the
11 payment.

12 **Sec. 6.** 2008 c 328 s 5001 (uncodified) is amended to read as
13 follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

15 School Construction Assistance Grants (08-4-200)

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) For state assistance grants for purposes of calculating square
19 foot eligibility, kindergarten student headcount shall not be reduced
20 by fifty percent.

21 (2) The legislature has made a commitment to phase in all-day
22 kindergarten programs beginning with the 2007-08 school year. However,
23 the legislature finds that one potential barrier to successful
24 expansion of all-day kindergarten programs may be a lack of facilities
25 that meet the requirements of an all-day kindergarten program. The
26 office of the superintendent of public instruction, in consultation
27 with the school facilities citizen advisory panel, shall examine
28 alternatives for addressing school facilities needs for all-day
29 kindergarten programs, including adapting existing unused space,
30 creating innovative public-private partnerships and partnerships with
31 early learning providers, shifting the location of current programs
32 within a district or a school, and temporary, limited use of portables.
33 The office of the superintendent of public instruction shall submit a
34 report to the capital budget committee of the house of representatives
35 and the ways and means committee of the senate by September 1, 2007,

1 with recommendations on preferred alternatives and an analysis of the
2 feasibility and cost of implementing the alternatives.

3 (3) Within the amounts appropriated in this section, the office of
4 the superintendent of public instruction shall review and evaluate the
5 cost and other implications of changing the current annual release
6 cycle for the school construction assistance program. The office of
7 the superintendent of public instruction shall prepare a report
8 resulting from their review and evaluation by December 1, 2008. This
9 report must include a specific plan for implementing the change in the
10 2009-2011 biennium.

11 Appropriation:

| | | |
|----|--|--------------------------------|
| 12 | State Building Construction Account--State | ((\$22,394,000)) |
| 13 | | <u>\$152,394,000</u> |
| 14 | Common School Construction Account--State | ((\$769,185,000)) |
| 15 | | <u>\$639,185,000</u> |
| 16 | Common School Reimbursable Construction | |
| 17 | Account--State | .\$180,000 |
| 18 | Subtotal Appropriation | \$791,759,000 |
| 19 | Prior Biennia (Expenditures) | .\$0 |
| 20 | Future Biennia (Projected Costs) | \$3,495,689,000 |
| 21 | TOTAL | \$4,287,448,000 |

22 NEW SECTION. **Sec. 7.** Sections 1 through 5 of this act constitute
23 a new chapter in Title 43 RCW.

24 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
25 preservation of the public peace, health, or safety, or support of the
26 state government and its existing public institutions, and takes effect
27 immediately.

28 NEW SECTION. **Sec. 9.** If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

32 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
33 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 immediately.

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