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**SUBSTITUTE SENATE BILL 5758**

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**State of Washington**

**62nd Legislature**

**2011 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Kilmer, Zarelli, Tom, Holmquist Newbry, Kohl-Welles, Ericksen, Kastama, Schoesler, and Shin)

READ FIRST TIME 02/25/11.

1 AN ACT Relating to improving management of dedicated accounts for  
2 comprehensive institutions of higher education; reenacting and amending  
3 RCW 28B.35.370; and providing an expiration date.

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

5 **Sec. 1.** RCW 28B.35.370 and 2009 c 499 s 5 and 2009 c 497 s 6021  
6 are each reenacted and amended to read as follows:

7 ~~((Within thirty five days from the date of collection thereof all  
8 building fees of each regional university and The Evergreen State  
9 College shall be paid into the state treasury and these together with  
10 such normal school fund revenues as provided in RCW 28B.35.751 as are  
11 received by the state treasury shall be credited as follows\*:~~

12 ~~(1) On or before June 30th of each year the board of trustees of  
13 each regional university and The Evergreen State College, if issuing  
14 bonds payable out of its building fees and above described normal  
15 school fund revenues, shall certify to the state treasurer the amounts  
16 required in the ensuing twelve months to pay and secure the payment of  
17 the principal of and interest on such bonds. The amounts so certified  
18 by each regional university and The Evergreen State College shall be a  
19 prior lien and charge against all building fees and above described~~

1 normal school fund revenues of such institution. The state treasurer  
2 shall thereupon deposit the amounts so certified in the Eastern  
3 Washington University capital projects account, the Central Washington  
4 University capital projects account, the Western Washington University  
5 capital projects account, or The Evergreen State College capital  
6 projects account respectively, which accounts are hereby created in the  
7 state treasury. The amounts deposited in the respective capital  
8 projects accounts shall be used to pay and secure the payment of the  
9 principal of and interest on the building bonds issued by such regional  
10 universities and The Evergreen State College as authorized by law. If  
11 in any twelve month period it shall appear that the amount certified by  
12 any such board of trustees is insufficient to pay and secure the  
13 payment of the principal of and interest on the outstanding building  
14 and above described normal school fund revenue bonds of its  
15 institution, the state treasurer shall notify the board of trustees and  
16 such board shall adjust its certificate so that all requirements of  
17 moneys to pay and secure the payment of the principal of and interest  
18 on all such bonds then outstanding shall be fully met at all times.

19 ~~(2))~~ (1) All normal school fund revenue pursuant to RCW 28B.35.751  
20 and building fees of each regional university and The Evergreen State  
21 College shall be deposited in the Eastern Washington University capital  
22 projects account, the Central Washington University capital projects  
23 account, the Western Washington University capital projects account, or  
24 The Evergreen State College capital projects account respectively,  
25 which accounts are hereby created ~~((in the state treasury))~~ as local  
26 accounts. The sums deposited in the respective capital projects  
27 accounts shall be ~~((appropriated and))~~ expended to pay and secure the  
28 payment of the principal of and interest on bonds payable out of the  
29 building fees and normal school revenue and for the construction,  
30 reconstruction, erection, equipping, maintenance, demolition and major  
31 alteration of buildings and other capital assets, and the acquisition  
32 of sites, rights-of-way, easements, improvements or appurtenances in  
33 relation thereto except for any sums transferred therefrom as  
34 authorized by law. During the 2009-2011 biennium, sums in the  
35 respective capital accounts shall also be used for routine facility  
36 maintenance and utility costs.

37 ~~((3))~~ (2) Funds available in the respective capital projects

1 accounts may also be used for certificates of participation under  
2 chapter 39.94 RCW.

3 (3) Each regional university and The Evergreen State College shall  
4 continue to support minor capital works and deferred maintenance from  
5 building fees at the level appropriated from the Eastern Washington  
6 University capital projects account, the Central Washington University  
7 capital projects account, the Western Washington University capital  
8 projects account, and The Evergreen State College capital projects  
9 account, in chapter 520, Laws of 2007, and chapter 328, Laws of 2008,  
10 adjusted annually by the rate of inflation as measured by the consumer  
11 price index.

12 (4) Each regional university and The Evergreen State College shall  
13 continue to fund high priority major and minor capital projects and  
14 continue to assign high priority to deferred maintenance projects.

15 (5) Funds available in the Eastern Washington University capital  
16 projects account, the Central Washington University capital projects  
17 account, the Western Washington University capital projects account,  
18 and The Evergreen State College capital projects account shall not be  
19 used for auxiliary facilities paid from fees, charges, and other income  
20 derived from the ownership and use of such auxiliary facilities.

21 (6) Each regional university and The Evergreen State College shall  
22 submit an annual report by January 15th each year to relevant policy  
23 and fiscal committees of the legislature, legislative staff, and the  
24 office of financial management that details expenditures by project  
25 funded by the Eastern Washington University capital projects account,  
26 the Central Washington University capital projects account, the Western  
27 Washington University capital projects account, and The Evergreen State  
28 College capital projects account.

29 (7) Local capital projects accounts are not subject to  
30 appropriation by the legislature or allotment procedures under chapter  
31 43.88 RCW.

32 NEW SECTION. Sec. 2. This act expires June 30, 2023.

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