
HOUSE BILL 2095

State of Washington

67th Legislature

2022 Regular Session

By Representatives Pollet, Berry, Ryu, Chapman, Wicks, Callan, Shewmake, Leavitt, Santos, Ramel, Paul, Frame, and Valdez

Read first time 01/26/22. Referred to Committee on Capital Budget.

1 AN ACT Relating to establishing a school seismic safety grant
2 program; adding a new section to chapter 28A.525 RCW; adding a new
3 chapter to Title 43 RCW; creating a new section; providing a
4 contingent effective date; and providing for submission of certain
5 sections of this act to a vote of the people.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that a significant
8 number of Washington students in public school districts and state-
9 tribal education compact schools attend school in older facilities
10 located in geologically active areas. Accordingly, the legislature
11 intends to create a grant program to help school districts and state-
12 tribal education compact schools cover the cost of retrofitting or
13 relocating school facilities located in high seismic areas or tsunami
14 zones.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.525
16 RCW to read as follows:

17 (1) School seismic safety grants and school seismic planning
18 grants must be awarded and determined in accordance with this
19 section.

1 (2) ELIGIBILITY. A school district or state tribal education
2 compact school is eligible to receive a school seismic safety grant
3 for remediation of seismic or tsunami hazards in qualifying buildings
4 that meet the following criteria:

5 (a) The building is located within a high seismic hazard area as
6 defined in subsection (3) of this section; and

7 (b) The building was constructed before 1998 and has not received
8 a seismic retrofit to 2005 seismic standards.

9 (3) DEFINITIONS. For the purposes of this section:

10 (a) "High seismic hazard area" means:

11 (i) Any location identified by the United States geological
12 survey national seismic hazard map with a two percent probability of
13 exceedance in 50 years and a national earthquake hazards reduction
14 program site class D that are 0.3 peak horizontal acceleration or
15 greater peak ground acceleration areas; or

16 (ii) Any area located within a Washington tsunami design zone map
17 or, where a Washington tsunami design zone map is not available, an
18 American society of civil engineers tsunami design zone map, that
19 requires structures in risk category three or four to be designed for
20 tsunamis.

21 (b) "Remediation" means solutions that mitigate or eliminate site
22 specific seismic or tsunami hazards and may include building
23 relocation if related to a tsunami hazard.

24 (c) "Total project cost" means the remediation solution square
25 footage as approved by the advisory committee multiplied by the
26 statewide average cost per square foot for new construction or
27 modernization at the time of the bid for projects participating in
28 the school construction assistance program for that same year.

29 (4) ADVISORY COMMITTEE. (a) The superintendent of public
30 instruction must appoint an advisory committee to evaluate and
31 prioritize grant applications from school districts and state-tribal
32 education compact schools. Advisory committee members must have
33 experience in financing, managing, or planning seismic remediation
34 projects at school facilities but must not be involved in a school
35 seismic safety grant request for the biennium under consideration.
36 The office of the superintendent of public instruction must provide
37 administrative and staff support to the advisory committee and
38 consult with the advisory committee to design a grant application
39 process with specific criteria for prioritizing grant requests.

1 (b) The advisory committee must submit a prioritized list of
2 grants to the superintendent of public instruction. The list must
3 prioritize applications to achieve the greatest improvement of school
4 facilities, in the school districts and state-tribal education
5 compact schools with the most limited financial capacity, for
6 projects that are likely to improve student health, safety, and
7 academic performance for the largest number of students for the
8 amount of state grant support.

9 (5) REQUIRED GRANT LIST. (a) The superintendent of public
10 instruction must propose a list of prioritized school seismic safety
11 grants to the governor by September 1st of each year, beginning
12 September 1, 2022. This list must include:

- 13 (i) A description of the proposed project;
- 14 (ii) The proposed school seismic safety grant amount, equal to at
15 least two-thirds of the estimated total project cost;
- 16 (iii) The anticipated school construction assistance program
17 amount;
- 18 (iv) The anticipated local share of project cost; and
- 19 (v) The estimated total project cost.

20 (b) The superintendent of public instruction and the governor may
21 determine the level of funding in their omnibus operating
22 appropriations act requests to support grants under this section, but
23 their funding requests must follow the prioritized list prepared by
24 the advisory committee unless new information determines that a
25 specific project is no longer viable as proposed.

26 (6) SCHOOL CONSTRUCTION ASSISTANCE PROGRAM. (a) The full
27 administrative and procedural process of school construction
28 assistance program funding under RCW 28A.525.162 through 28A.525.180
29 may be streamlined by the office of the superintendent of public
30 instruction in order to coordinate eligible school construction
31 assistance program funding with the school seismic safety grants.
32 Such coordination must ensure that total state funding from both
33 grants does not exceed total project costs minus available local
34 resources.

35 (b) Projects seeking school seismic safety grants must meet the
36 requirements for a school construction assistance program grant
37 except for the following: (i) The estimated cost of the project may
38 be less than 40 percent of the estimated replacement value of the
39 facility; and (ii) local funding assistance percentage requirements
40 of the school construction assistance program do not apply. However,

1 available school district and state-tribal education compact school
2 resources are considered in prioritizing school seismic safety
3 grants.

4 (7) DISBURSEMENT OF FUNDS. The superintendent of public
5 instruction must award state and federal grants under this section to
6 eligible school districts and state tribal education compact schools
7 in an amount equal to at least two-thirds of the total project cost.
8 The grant must not be awarded until the school district or state-
9 tribal education compact school has identified available local and
10 other resources sufficient to complete the approved project
11 considering the amount of the state grant. The grant must specify
12 reporting requirements from the school district or state-tribal
13 education compact school, which must include updating all pertinent
14 information in the inventory and condition of schools data system and
15 submitting a final project report as specified by the office of the
16 superintendent of public instruction in consultation with the school
17 facilities citizens advisory panel specified in RCW 28A.525.025.

18 (8) PLANNING GRANTS. Subject to the availability of amounts
19 appropriated for this specific purpose, the office of the
20 superintendent of public instruction must assist eligible school
21 districts and state-tribal education compact schools that are
22 interested in applying for a school seismic safety grant under this
23 section by providing technical assistance and planning grants. School
24 districts and state-tribal education compact schools seeking planning
25 grants under this section must provide a brief statement describing
26 existing school conditions, building system and site deficiencies,
27 current and five-year projected student headcount enrollment, student
28 achievement measures, financial constraints, and any information
29 required by the advisory committee established in subsection (4) of
30 this section. If applications for planning grants exceed funds
31 available, the office of the superintendent of public instruction may
32 prioritize planning grant requests with primary consideration given
33 to school district financial capacity and facility conditions.

34 NEW SECTION. **Sec. 3.** (1) For the purposes of providing needed
35 capital improvements for the school seismic safety grant program, the
36 state finance committee is authorized to issue general obligation
37 bonds of the state of Washington in the sum of \$500,000,000, or so
38 much thereof as may be required, to finance all or a part of the cost
39 of these projects and all costs incidental thereto. The bonds issued

1 under the authority of this section shall be known as Washington
2 school seismic safety bonds.

3 (2) Bonds authorized in this section must be sold in the manner,
4 at the time or times, in amounts, and at such prices as the state
5 finance committee determines.

6 (3) The authorization to issue bonds contained in this chapter
7 does not expire until the full authorization has been issued.

8 (4) No bonds authorized in this section may be offered for sale
9 without prior legislative appropriation of the net proceeds of the
10 sale of the bonds.

11 NEW SECTION. **Sec. 4.** If the people ratify section 3 of this act
12 as specified under section 11 of this act, section 3 of this act
13 takes effect July 1, 2023.

14 NEW SECTION. **Sec. 5.** It is the intent of the legislature that
15 the proceeds of the new bonds authorized in section 3 of this act
16 will be dispersed in phases of \$100,000,000 per biennium over five
17 biennia, beginning with the 2023-2025 biennium. This is not intended
18 to limit the state's ability to disperse bond proceeds if the full
19 amount authorized in section 3 of this act has not been dispersed
20 after five biennia. The authorization to issue bonds contained in
21 section 3 of this act does not expire until the full authorization
22 has been issued and dispersed.

23 NEW SECTION. **Sec. 6.** (1) The proceeds from the sale of bonds
24 authorized in section 3 of this act shall be deposited in the school
25 seismic safety grant program bond account created in section 13 of
26 this act.

27 (2) If the state finance committee deems it necessary or
28 advantageous to issue taxable bonds in order to comply with federal
29 internal revenue service rules and regulations pertaining to the use
30 of nontaxable bond proceeds or in order to reduce the total financing
31 costs for bonds issued, the proceeds of taxable bonds shall be
32 transferred to the school seismic safety grant program taxable bond
33 account created in section 12 of this act. The state treasurer shall
34 submit written notice to the director of financial management if it
35 is determined that any transfer to the school seismic safety grant
36 program taxable bond account is necessary or that a transfer from the

1 school seismic safety grant program taxable bond account to the
2 school seismic safety grant program bond account may be made.

3 NEW SECTION. **Sec. 7.** (1) The nondebt-limit general fund bond
4 retirement account must be used for the payment of the principal of
5 and interest on the bonds authorized in section 3 of this act.

6 (2) The state finance committee must, on or before June 30th of
7 each year, certify to the state treasurer the amount needed in the
8 ensuing 12 months to meet the bond retirement and interest
9 requirements on the bonds authorized in section 3 of this act.

10 (3) On each date on which any interest or principal and interest
11 payment is due on bonds issued for the purposes of section 3 of this
12 act, the state treasurer shall withdraw from any general state
13 revenues received in the state treasury and deposit in the nondebt-
14 limit general fund bond retirement account an amount equal to the
15 amount certified by the state finance committee to be due on the
16 payment date.

17 NEW SECTION. **Sec. 8.** (1) Bonds issued under section 3 of this
18 act must state that they are a general obligation of the state of
19 Washington, must pledge the full faith and credit of the state to the
20 payment of the principal thereof and the interest thereon, and must
21 contain an unconditional promise to pay the principal and interest as
22 the same shall become due.

23 (2) The owner and holder of each of the bonds or the trustee for
24 the owner and holder of any of the bonds may by mandamus or other
25 appropriate proceeding require the transfer and payment of funds as
26 directed in this section.

27 NEW SECTION. **Sec. 9.** The legislature may provide additional
28 means for raising moneys for the payment of the principal of and
29 interest on the bonds authorized in section 3 of this act.

30 NEW SECTION. **Sec. 10.** The state finance committee is authorized
31 to prescribe the form, terms, conditions, and covenants of the bonds
32 provided for in this chapter, the time or times of sale of all or any
33 portion of them, and the conditions and manner of their sale and
34 issuance.

1 NEW SECTION. **Sec. 11.** (1) The secretary of state shall submit
2 sections 3 and 4 of this act to the people for their adoption and
3 ratification, or rejection, at the next general election to be held
4 in this state, in accordance with Article II, section 1 and Article
5 VIII, section 3 of the state Constitution and the laws adopted to
6 facilitate their operation.

7 (2) If the people ratify sections 3 and 4 of this act as
8 specified under subsection (1) of this section, revenues generated
9 shall be spent as detailed in this act.

10 (3) Pursuant to RCW 29A.72.050(6), the statement of subject and
11 concise description for the ballot title shall read: "The legislature
12 has passed Senate Bill No. . . . (this act), concerning the school
13 seismic safety grant program. This bill would authorize bonds to
14 build new or modernize existing school buildings that are in high
15 seismic areas."

16 NEW SECTION. **Sec. 12.** The school seismic safety grant program
17 taxable bond account is created in the state treasury. All receipts
18 from direct appropriations from the legislature or moneys directed to
19 the account from any other source must be deposited in the account.
20 Moneys in the account may be spent only after appropriation. The
21 account is intended to fund projects using taxable bonds.
22 Expenditures from the account are for the school seismic safety grant
23 program.

24 NEW SECTION. **Sec. 13.** The school seismic safety grant program
25 bond account is created in the state treasury. All receipts from
26 direct appropriations from the legislature or moneys directed to the
27 account from any other source must be deposited in the account.
28 Moneys in the account may be spent only after appropriation. The
29 account is intended to fund projects using tax exempt bonds.
30 Expenditures from the account are for the school seismic safety grant
31 program.

32 NEW SECTION. **Sec. 14.** Sections 3, 5 through 10, 12, and 13 of
33 this act constitute a new chapter in Title 43 RCW.

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