

SENATE BILL REPORT

SB 6663

As Passed Senate, February 8, 1996

Title: An act relating to investments of surplus funds by community and technical college districts and the state board for community and technical colleges.

Brief Description: Authorizing community and technical college districts and the state board for community and technical colleges to participate with the state in investing surplus funds.

Sponsors: Senators Sheldon, Winsley and Drew; by request of State Board for Community and Technical Colleges.

Brief History:

Committee Activity: Ways & Means: 1/31/96, 2/1/96 [DP].
Passed Senate, 2/8/96, 49-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Cantu, Drew, Hargrove, Hochstatter, Kohl, Long, McDonald, Moyer, Quigley, Roach, Sheldon, Snyder, Spanel, Sutherland, West, Winsley and Wojahn.

Staff: Michael Groesch (786-7434)

Background: Current state law provides that the treasurer for the State Board for Community and Technical Colleges and the board of trustees for each community and technical college shall invest and manage local funds. Local funds are those moneys not required to be deposited in the state treasury and include such funds as tuition fees, endowment funds, and proprietary revenues generated from the operation of facilities.

Local governments have the opportunity to utilize the expertise and investment power of the Office of the State Treasurer by depositing surplus funds in the public funds investment pool. The investment pool is managed to maximize the potential earning power of surplus funds while ensuring the safety of public funds.

Summary of Bill: Community and technical college districts and the State Board for Community and Technical Colleges are provided the option of depositing surplus local funds in the public funds investment pool managed by the Office of the State Treasurer.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: By allowing the schools to take advantage of the investment pool, the colleges will gain additional earnings and will be provided with more secure investment portfolio. The colleges will be relieved of the administrative burden of managing and investing a relatively small amount of funds.

Testimony Against: None.

Testified: Vallie Jo Fry, State Board for Community and Technical Colleges (pro); Jonathan Koesting, Seattle Community Colleges (pro).