
HOUSE BILL 2243

State of Washington

58th Legislature

2003 Regular Session

By Representative Dunshee

Read first time 04/09/2003. Referred to Committee on Capital Budget.

1 AN ACT Relating to authorization for higher education institutions
2 to issue local bonds for capital purposes; and amending RCW 28B.50.340,
3 28B.50.350, 28B.50.370, 28B.20.710, 28B.20.715, 28B.20.720, 28B.30.720,
4 28B.30.730, 28B.30.740, 28B.35.720, 28B.35.730, and 28B.35.750.

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

6 **Sec. 1.** RCW 28B.50.340 and 1991 c 238 s 49 are each amended to
7 read as follows:

8 In addition to the powers conferred under RCW 28B.50.090, the
9 college board is authorized and shall have the power:

10 (1) To permit the district boards of trustees to contract for the
11 construction, reconstruction, erection, equipping, maintenance,
12 demolition, and major alterations of buildings and other capital
13 assets, and the acquisition of sites, (~~rights-of-way~~) rights of way,
14 easements, improvements, or appurtenances of the college as approved by
15 the state board.

16 (2) To finance the same by the issuance of bonds secured by the
17 pledge of up to one hundred percent of the building fees.

18 (3) To permit the district board of trustees to contract for the
19 repair, modernization, or preservation of existing facilities and the

1 construction or repair of infrastructure necessary to support the
2 academic mission of the institutions as approved by the college board
3 and to finance these by the issuance of bonds secured by the pledge of
4 operating fees. The amount of bonds issued under this subsection is
5 limited as follows: No new bonds may be issued if the annual debt
6 service from outstanding bonds under this subsection and the annual
7 debt service on bonds being issued under this subsection will exceed
8 one percent of the operating fees received in the previous fiscal year.

9 (4) Without limitation of the foregoing, to accept grants from the
10 United States government, or any federal or state agency or
11 instrumentality, or private corporation, association, or person to aid
12 in defraying the costs of any such projects.

13 ((+4)) (5) To retain bond counsel and professional bond
14 consultants to aid it in issuing bonds pursuant to RCW 28B.50.340
15 through 28B.50.400.

16 **Sec. 2.** RCW 28B.50.350 and 1991 c 238 s 50 are each amended to
17 read as follows:

18 For the purpose of financing the cost of any projects, the college
19 board is hereby authorized to adopt the resolution or resolutions and
20 prepare all other documents necessary for the issuance, sale, and
21 delivery of the bonds or any part thereof at such time or times as it
22 shall deem necessary and advisable. Said bonds:

23 (1) Shall not constitute:

24 (a) An obligation, either general or special, of the state; or

25 (b) A general obligation of the college or of the college board;

26 (2) Shall be:

27 (a) Either registered or in coupon form; and

28 (b) Issued in denominations of not less than one hundred dollars;

29 and

30 (c) Fully negotiable instruments under the laws of this state; and

31 (d) Signed on behalf of the college board with the manual or
32 facsimile signature of the ((~~chairman~~)) chair of the board, attested by
33 the secretary of the board, have the seal of the college board
34 impressed thereon or a facsimile of such seal printed or lithographed
35 in the bottom border thereof, and the coupons attached thereto shall be
36 signed with the facsimile signatures of ((~~such chairman~~)) the chair and
37 the secretary;

1 (3) Shall state:
2 (a) The date of issue; and
3 (b) The series of the issue and be consecutively numbered within
4 the series; and
5 (c) That the bond is payable both principal and interest solely out
6 of the bond retirement fund created for retirement thereof;
7 (4) Each series of bonds shall bear interest, payable either
8 annually or semiannually, as the board may determine;
9 (5) Shall be payable both principal and interest out of the bond
10 retirement fund;
11 (6) Shall be payable at such times over a period of not to exceed
12 forty years from date of issuance, at such place or places, and with
13 such reserved rights of prior redemption, as the board may prescribe;
14 (7) Shall be sold in such manner and at such price as the board may
15 prescribe;
16 (8) Shall be issued under and subject to such terms, conditions,
17 and covenants providing for the payment of the principal thereof and
18 interest thereon and such other terms, conditions, covenants, and
19 protective provisions safeguarding such payment, not inconsistent with
20 RCW 28B.50.330 through 28B.50.400, and as found to be necessary by the
21 board for the most advantageous sale thereof, which may include but not
22 be limited to:
23 (a) A covenant that a reserve account shall be created in the bond
24 retirement fund to secure the payment of the principal of and interest
25 on all bonds issued and a provision made that certain amounts be set
26 aside and maintained therein;
27 (b) A covenant that sufficient moneys may be transferred from the
28 capital projects account of the college board issuing the bonds to the
29 bond retirement fund of the college board when ordered by the board in
30 the event there is ever an insufficient amount of money in the bond
31 retirement fund to pay any installment of interest or principal and
32 interest coming due on the bonds or any of them;
33 (c) A covenant fixing conditions under which bonds on a parity with
34 any bonds outstanding may be issued.
35 The proceeds of the sale of all bonds, exclusive of accrued
36 interest which shall be deposited in the bond retirement fund, shall be
37 deposited in the state treasury to the credit of the capital projects
38 account of the college board and shall be used solely for paying the

1 costs of the projects, the costs of bond counsel and professional bond
2 consultants incurred in issuing the bonds, and for the purposes set
3 forth in subsection (8)(b) of this section;

4 (9) Shall constitute a prior lien and charge against the building
5 fees of the community and technical colleges. For bonds issued under
6 RCW 28B.50.340(3), the bonds shall constitute a prior lien and charge
7 against operating fees necessary to cover debt service.

8 **Sec. 3.** RCW 28B.50.370 and 1991 c 238 s 52 are each amended to
9 read as follows:

10 For the purpose of paying and securing the payment of the principal
11 of and interest on the bonds as the same shall become due, there shall
12 be paid into the state treasury and credited to the bond retirement
13 fund of the college board, the following:

14 (1) Amounts derived from building fees as are necessary to pay the
15 principal of and interest on the bonds and to secure the same;

16 (2) Amounts derived from operating fees necessary to pay the
17 principal of and interest on the bonds issued under RCW 28B.50.340(3)
18 and any related reserves;

19 (3) Any grants which may be made, or may become available for the
20 purpose of furthering the construction of any authorized projects, or
21 for the repayment of the costs thereof;

22 ~~((+3))~~ (4) Such additional funds as the legislature may provide.

23 Said bond retirement fund shall be kept segregated from all moneys
24 in the state treasury and shall, while any of such bonds or any
25 interest thereon remains unpaid, be available solely for the payment
26 thereof. As a part of the contract of sale of such bonds, the college
27 board shall charge and collect building fees as established by this
28 chapter and deposit such fees in the bond retirement fund in amounts
29 which will be sufficient to pay and secure the payment of the principal
30 of, and interest on all such bonds outstanding. For bonds issued under
31 RCW 28B.50.340(3), the college board shall deposit the appropriate
32 amount of operating fees in the bond retirement fund which will be
33 sufficient to pay and secure the payment of the principal of, and
34 interest on all such bonds outstanding.

35 **Sec. 4.** RCW 28B.20.710 and 1969 ex.s. c 223 s 28B.20.710 are each
36 amended to read as follows:

1 In addition to the powers conferred under existing law, the board
2 is authorized and shall have the power:

3 (1) To contract for the construction, completion, reconstruction,
4 remodeling, rehabilitation, and improvement of such buildings or other
5 facilities of the university as are and which may hereafter be
6 authorized by the legislature.

7 (2) To finance the same by the issuance of bonds secured by the
8 pledge of any or all of the revenues and receipts of the bond
9 retirement fund.

10 (3) To contract for the repair, modernization, or preservation of
11 existing facilities and the construction or repair of infrastructure
12 necessary to support the academic mission of the institutions and to
13 finance these by the issuance of bonds secured by the pledge of
14 operating fees. The amount of bonds issued under this subsection is
15 limited as follows: No new bonds may be issued if the annual debt
16 service from outstanding bonds under this subsection and the annual
17 debt service on bonds being issued under this subsection will exceed
18 one percent of the operating fees received in the previous fiscal year.

19 (4) Without limitation of the foregoing, to accept grants from the
20 United States government, or any federal or state agency or
21 instrumentality, or any public or private corporation, association, or
22 person to aid in defraying the costs of any such projects.

23 **Sec. 5.** RCW 28B.20.715 and 1985 c 390 s 38 are each amended to
24 read as follows:

25 For the purpose of financing the cost of any projects, the board is
26 hereby authorized to adopt the resolution or resolutions and prepare
27 all other documents necessary for the issuance, sale, and delivery of
28 the bonds or any part thereof at such time or times as it shall deem
29 necessary and advisable. Said bonds:

- 30 (1) Shall not constitute
31 (a) An obligation, either general or special, of the state; or
32 (b) A general obligation of the University of Washington or of the
33 board;
34 (2) Shall be
35 (a) Either registered or in coupon form; and
36 (b) Issued in denominations of not less than one hundred dollars;
37 and

1 (c) Fully negotiable instruments under the laws of this state; and
2 (d) Signed on behalf of the university by the president of the
3 board, attested by the secretary of the board, have the seal of the
4 university impressed thereon or a facsimile of such seal printed or
5 lithographed in the bottom border thereof, and the coupons attached
6 thereto shall be signed with the facsimile signatures of such president
7 and secretary;

8 (3) Shall state

9 (a) The date of issue; and
10 (b) The series of the issue and be consecutively numbered within
11 the series; and
12 (c) That the bond is payable both principal and interest solely out
13 of the bond retirement fund;

14 (4) Each series of bonds shall bear interest, payable either
15 annually or semiannually, as the board may determine;

16 (5) Shall be payable both principal and interest out of the bond
17 retirement fund;

18 (6) Shall be payable at such times over a period of not to exceed
19 forty years from date of issuance, at such place or places, and with
20 such reserved rights of prior redemption, as the board may prescribe;

21 (7) Shall be sold in such manner and at such price as the board may
22 prescribe;

23 (8) Shall be issued under and subject to such terms, conditions,
24 and covenants providing for the payment of the principal thereof and
25 interest thereon and such other terms, conditions, covenants, and
26 protective provisions safeguarding such payment, not inconsistent with
27 this chapter, and as found to be necessary by the board for the most
28 advantageous sale thereof, which may include but not be limited to:

29 (a) A covenant that the building fees shall be established,
30 maintained, and collected in such amounts, and the appropriate amount
31 of operating fees for bonds issued under RCW 28B.20.710(3), that will
32 provide money sufficient to pay the principal of and interest on all
33 bonds payable out of the bond retirement fund, to set aside and
34 maintain the reserves required to secure the payment of such principal
35 and interest, and to maintain any coverage which may be required over
36 such principal and interest;

37 (b) A covenant that a reserve account shall be created in the bond

1 retirement fund to secure the payment of the principal of and interest
2 on all bonds issued and a provision made that certain amounts be set
3 aside and maintained therein;

4 (c) A covenant that sufficient moneys may be transferred from the
5 University of Washington building account to the bond retirement fund
6 when ordered by the board of regents in the event there is ever an
7 insufficient amount of money in the bond retirement fund to pay any
8 installment of interest or principal and interest coming due on the
9 bonds or any of them;

10 (d) A covenant fixing conditions under which bonds on a parity with
11 any bonds outstanding may be issued.

12 The proceeds of the sale of all bonds, exclusive of accrued
13 interest which shall be deposited in the bond retirement fund, shall be
14 deposited in the state treasury to the credit of the University of
15 Washington building account and shall be used solely for paying the
16 costs of the projects.

17 **Sec. 6.** RCW 28B.20.720 and 1985 c 390 s 39 are each amended to
18 read as follows:

19 For the purpose of paying and securing the payment of the principal
20 of and interest on the bonds as the same shall become due, there shall
21 be paid into the state treasury and credited to a special trust fund to
22 be known as the University of Washington bond retirement fund, the
23 following:

24 (1) One-half of such building fees as the board may from time to
25 time determine, or such larger portion as may be necessary to prevent
26 default in the payments required to be made out of the bond retirement
27 fund, and in no event shall such one-half be less than twelve dollars
28 and fifty cents per each resident student per quarter and less than
29 thirty-seven dollars and fifty cents per each nonresident student per
30 quarter;

31 (2) Amounts derived from operating fees necessary to pay the
32 principal of and interest on the bonds issued under RCW 28B.20.710(3)
33 and any related reserve requirements;

34 (3) Any gifts, bequests, or grants which may be made, or may become
35 available, for the purpose of furthering the construction of any
36 authorized projects, or for the repayment of the costs thereof;

37 (~~(3)~~) (4) Such additional funds as the legislature may provide.

1 Said bond retirement fund shall be kept segregated from all moneys
2 in the state treasury and shall, while any of such bonds or any
3 interest thereon remains unpaid, be available solely for the payment
4 thereof except as provided in RCW 28B.20.725(5). As a part of the
5 contract of sale of such bonds, the board undertakes to charge and
6 collect building fees and to deposit the portion of such fees in the
7 bond retirement fund in amounts which will be sufficient to pay the
8 principal of, and interest on all such bonds outstanding.

9 **Sec. 7.** RCW 28B.30.720 and 1969 ex.s. c 223 s 28B.30.720 are each
10 amended to read as follows:

11 In addition to the powers conferred under existing law, the board
12 is authorized and shall have the power:

13 (1) To contract for the construction, completion, reconstruction,
14 remodeling, rehabilitation, and improvement of such buildings or other
15 facilities of the university as are or may be authorized by the
16 legislature.

17 (2) To finance the same by the issuance of bonds secured by the
18 pledge of any or all of the revenues and receipts of the bond
19 retirement fund.

20 (3) To contract for the repair, modernization, or preservation of
21 existing facilities and the construction or repair of infrastructure
22 necessary to support the academic mission of the institutions and to
23 finance these by the issuance of bonds secured by the pledge of
24 operating fees. The amount of bonds issued under this subsection is
25 limited as follows: No new bonds may be issued if the annual debt
26 service from outstanding bonds under this subsection and the annual
27 debt service on bonds being issued under this subsection will exceed
28 one percent of the operating fees received in the previous fiscal year.

29 (4) Without limitation of the foregoing, to accept grants from the
30 United States government, or any federal or state agency or
31 instrumentality, or any public or private corporation, association, or
32 person to aid in defraying the costs of any such projects.

33 **Sec. 8.** RCW 28B.30.730 and 2002 c 238 s 302 are each amended to
34 read as follows:

35 For the purpose of financing the cost of any projects, the board is
36 hereby authorized to adopt the resolution or resolutions and prepare

1 all other documents necessary for the issuance, sale, and delivery of
2 the bonds or any part thereof at such time or times as it shall deem
3 necessary and advisable. Said bonds:

4 (1) Shall not constitute
5 (a) An obligation, either general or special, of the state; or
6 (b) A general obligation of Washington State University or of the
7 board;

8 (2) Shall be
9 (a) Either registered or in coupon form; and
10 (b) Issued in denominations of not less than one hundred dollars;

11 and
12 (c) Fully negotiable instruments under the laws of this state; and
13 (d) Signed on behalf of the university by the president of the
14 board, attested by the secretary or the treasurer of the board, have
15 the seal of the university impressed thereon or a facsimile of such
16 seal printed or lithographed in the bottom border thereof, and the
17 coupons attached thereto shall be signed with the facsimile signatures
18 of such president and secretary;

19 (3) Shall state
20 (a) The date of issue; and
21 (b) The series of the issue and be consecutively numbered within
22 the series; and

23 (c) That the bond is payable both principal and interest solely out
24 of the bond retirement fund;

25 (4) Each series of bonds shall bear interest, payable either
26 annually or semiannually, as the board may determine;

27 (5) Shall be payable both principal and interest out of the bond
28 retirement fund;

29 (6) Shall be payable at such times over a period of not to exceed
30 forty years from date of issuance, at such place or places, and with
31 such reserved rights of prior redemption, as the board may prescribe;

32 (7) Shall be sold in such manner and at such price as the board may
33 prescribe;

34 (8) Shall be issued under and subject to such terms, conditions,
35 and covenants providing for the payment of the principal thereof and
36 interest thereon and such other terms, conditions, covenants, and
37 protective provisions safeguarding such payment, not inconsistent with

1 RCW 28B.30.700 through 28B.30.780, and as found to be necessary by the
2 board for the most advantageous sale thereof, which may include but not
3 be limited to:

4 (a) A covenant that the building fees shall be established,
5 maintained and collected in such amounts, and the appropriate amount of
6 operating fees for bonds issued under RCW 28B.30.720(3), that will
7 provide money sufficient to pay the principal of and interest on all
8 bonds payable out of the bond retirement account, to set aside and
9 maintain the reserves required to secure the payment of such principal
10 and interest, and to maintain any coverage which may be required over
11 such principal and interest;

12 (b) A covenant that a reserve account shall be created in the bond
13 retirement fund to secure the payment of the principal of and interest
14 on all bonds issued and a provision made that certain amounts be set
15 aside and maintained therein;

16 (c) A covenant that sufficient moneys may be transferred from the
17 Washington State University building account to the bond retirement
18 account when ordered by the board of regents in the event there is ever
19 an insufficient amount of money in the bond retirement account to pay
20 any installment of interest or principal and interest coming due on the
21 bonds or any of them;

22 (d) A covenant fixing conditions under which bonds on a parity with
23 any bonds outstanding may be issued.

24 The proceeds of the sale of all bonds shall be deposited in the
25 state treasury to the credit of the Washington State University
26 building account and shall be used solely for paying the costs of the
27 projects. The Washington State University building account shall be
28 credited with the investment income derived pursuant to RCW 43.84.080
29 on the (~~investible~~) investable balances of scientific permanent fund
30 and agricultural permanent fund, less the allocation to the state
31 treasurer's service fund pursuant to RCW 43.08.190. During the 2001-
32 2003 fiscal biennium, the legislature may transfer from the Washington
33 State University building account to the state general fund such
34 amounts as reflect the excess fund balance of the account.

35 **Sec. 9.** RCW 28B.30.740 and 1985 c 390 s 44 are each amended to
36 read as follows:

37 For the purpose of paying and securing the payment of the principal

1 of and interest on the bonds as the same shall become due, there shall
2 be paid into the state treasury and credited to a special trust fund to
3 be known as the Washington State University bond retirement fund, which
4 fund is hereby created in the state treasury, the following:

5 (1) One-half of such building fees as the board may from time to
6 time determine, or such larger portion as may be necessary to prevent
7 default in the payments required to be made out of the bond retirement
8 fund;

9 (2) Amounts derived from operating fees necessary to pay the
10 principal of and interest on the bonds issued under RCW 28B.30.720(3)
11 and any related reserve requirements;

12 (3) Any grants which may be made, or may become available, for the
13 purpose of furthering the construction of any authorized projects, or
14 for the repayment of the costs thereof;

15 ~~((+3))~~ (4) Such additional funds as the legislature may provide.

16 Said bond retirement fund shall be kept segregated from all moneys
17 in the state treasury and shall, while any of such bonds or any
18 interest thereon remain unpaid, be available solely for the payment
19 thereof except as provided in ~~((subdivision (5) of))~~ RCW 28B.30.750(5).
20 As a part of the contract of sale of such bonds, the board shall
21 undertake to charge and collect building fees and to deposit the
22 portion of such fees in the bond retirement fund in amounts which will
23 be sufficient to pay the principal of, and interest on all such bonds
24 outstanding.

25 **Sec. 10.** RCW 28B.35.720 and 1985 c 390 s 50 are each amended to
26 read as follows:

27 In addition to the powers conferred under existing law, each of the
28 boards is authorized and shall have the power:

29 (1) To contract for the construction, completion, reconstruction,
30 remodeling, rehabilitation, and improvement of such buildings or other
31 facilities of the university or college as are authorized by the
32 legislature to be financed by the issuance and sale of bonds.

33 (2) To finance the same by the issuance of bonds secured by the
34 pledge of any or all of the building fees.

35 (3) To contract for the repair, modernization, or preservation of
36 existing facilities and the construction or repair of infrastructure
37 necessary to support the academic mission of the institutions and to

1 finance these by the issuance of bonds secured by the pledge of
2 operating fees. The amount of bonds issued under this subsection is
3 limited as follows: No new bonds may be issued if the annual debt
4 service from outstanding bonds under this subsection and the annual
5 debt service on bonds being issued under this subsection will exceed
6 one percent of the operating fees received in the previous fiscal year.

7 (4) Without limitation of the foregoing, to accept grants from the
8 United States government, or any federal or state agency or
9 instrumentality, or private corporation, association, or person to aid
10 in defraying the costs of any such projects.

11 **Sec. 11.** RCW 28B.35.730 and 1985 c 390 s 51 are each amended to
12 read as follows:

13 For the purpose of financing the cost of any projects, each of the
14 boards is hereby authorized to adopt the resolution or resolutions and
15 prepare all other documents necessary for the issuance, sale, and
16 delivery of the bonds or any part thereof at such time or times as it
17 shall deem necessary and advisable. Said bonds:

18 (1) Shall not constitute:
19 (a) An obligation, either general or special, of the state; or
20 (b) A general obligation of the university or college or of the
21 board;

22 (2) Shall be:
23 (a) Either registered or in coupon form; and
24 (b) Issued in denominations of not less than one hundred dollars;
25 and

26 (c) Fully negotiable instruments under the laws of this state; and
27 (d) Signed on behalf of the university or college by the
28 (~~chairman~~) chair of the board, attested by the secretary of the
29 board, have the seal of the university or college impressed thereon or
30 a facsimile of such seal printed or lithographed in the bottom border
31 thereof, and the coupons attached thereto shall be signed with the
32 facsimile signatures of (~~such chairman~~) the chair and the secretary;

33 (3) Shall state:
34 (a) The date of issue; and
35 (b) The series of the issue and be consecutively numbered within
36 the series; and

1 (c) That the bond is payable both principal and interest solely out
2 of the bond retirement fund;

3 (4) Each series of bonds shall bear interest, payable either
4 annually or semiannually, as the board may determine;

5 (5) Shall be payable both principal and interest out of the bond
6 retirement fund;

7 (6) Shall be payable at such times over a period of not to exceed
8 forty years from date of issuance, at such place or places, and with
9 such reserved rights of prior redemption, as the board may prescribe;

10 (7) Shall be sold in such manner and at such price as the board may
11 prescribe;

12 (8) Shall be issued under and subject to such terms, conditions,
13 and covenants providing for the payment of the principal thereof and
14 interest thereon and such other terms, conditions, covenants, and
15 protective provisions safeguarding such payment, not inconsistent with
16 RCW 28B.35.700 through 28B.35.790, as now or hereafter amended, and as
17 found to be necessary by the board for the most advantageous sale
18 thereof, which may include but not be limited to:

19 (a) A covenant that the building fees shall be established,
20 maintained, and collected in such amounts, and the appropriate amount
21 of operating fees for bonds issued under RCW 28B.35.720(3), that will
22 provide money sufficient to pay the principal of and interest on all
23 bonds payable out of the bond retirement fund, to set aside and
24 maintain the reserves required to secure the payment of such principal
25 and interest, and to maintain any coverage which may be required over
26 such principal and interest;

27 (b) A covenant that a reserve account shall be created in the bond
28 retirement fund to secure the payment of the principal of and interest
29 on all bonds issued and a provision made that certain amounts be set
30 aside and maintained therein;

31 (c) A covenant that sufficient moneys may be transferred from the
32 capital projects account of the university or college issuing the bonds
33 to the bond retirement fund of such university or college when ordered
34 by the board of trustees in the event there is ever an insufficient
35 amount of money in the bond retirement fund to pay any installment of
36 interest or principal and interest coming due on the bonds or any of
37 them;

1 (d) A covenant fixing conditions under which bonds on a parity with
2 any bonds outstanding may be issued.

3 The proceeds of the sale of all bonds, exclusive of accrued
4 interest which shall be deposited in the bond retirement fund, shall be
5 deposited in the state treasury to the credit of the capital projects
6 account of the university or college issuing the bonds and shall be
7 used solely for paying the costs of the projects.

8 **Sec. 12.** RCW 28B.35.750 and 1985 c 390 s 52 are each amended to
9 read as follows:

10 For the purpose of paying and securing the payment of the principal
11 of and interest on the bonds as the same shall become due, there shall
12 be paid into the state treasury and credited to the respective bond
13 retirement fund of each university or college issuing bonds, the
14 following:

15 (1) Amounts derived from building fees as the board shall certify
16 as necessary to prevent default in the payments required to be paid
17 into such bond retirement fund;

18 (2) Amounts derived from operating fees necessary to pay the
19 principal of and interest on the bonds issued under RCW 28B.35.720(3)
20 and any related reserve requirements;

21 (3) Any grants which may be made, or may become available, for the
22 purpose of furthering the construction of any authorized projects, or
23 for the repayment of the costs thereof;

24 ~~((3))~~ (4) Such additional funds as the legislature may provide.

25 Said bond retirement fund shall be kept segregated from all moneys
26 in the state treasury and shall, while any of such bonds or any
27 interest thereon remains unpaid, be available solely for the payment
28 thereof. As a part of the contract of sale of such bonds, the board
29 shall undertake to charge and collect building fees and to deposit the
30 portion of such fees in the bond retirement fund in amounts which will
31 be sufficient to pay and secure the payment of the principal of, and
32 interest on all such bonds outstanding.

33 NEW SECTION. **Sec. 13.** If any provision of this act or its
34 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

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