

1 **SHB 2486 - H AMD 0212 ADOPTED 2/18/92**

2 By Representatives H. Sommers, Schmidt and Leonard

3 On page 1, after line 3, strike the remainder of the bill and
4 insert:

5 "Sec. 1. RCW 43.180.300 and 1990 c 167 s 2 are each amended
6 to read as follows:

7 As used in RCW 43.180.310 through 43.180.360, the following
8 terms have the meanings indicated unless the context clearly
9 requires otherwise.

10 (1) "Construction" or "construct" means construction and
11 acquisition, whether by device, purchase, gift, lease, or
12 otherwise.

13 (2) "Facilities" means land, rights in land, buildings,
14 structures, equipment, landscaping, utilities, approaches, roadways
15 and parking, handling and storage areas, and similar ancillary
16 facilities.

17 (3) "Financing document" means a lease, sublease, installment
18 sale agreement, conditional sale agreement, loan agreement,
19 mortgage, deed of trust guaranty agreement, or other agreement for
20 the purpose of providing funds to pay or secure debt service on
21 revenue bonds.

22 (4) "Improvement" means reconstruction, remodeling,
23 rehabilitation, extension, and enlargement. "To improve" means to
24 reconstruct, to remodel, to rehabilitate, to extend, and to

1 enlarge.

2 (5) "Nonprofit corporation" means a nonprofit corporation
3 described under section 501(c)(3) of the Internal Revenue Code, or
4 similar successor provisions.

5 (6)(a) "Nonprofit facilities" means, except as modified by
6 (b) of this subsection, facilities owned or used by a nonprofit
7 corporation for any nonprofit activity described under section
8 501(c)(3) of the Internal Revenue Code that qualifies such a
9 corporation for an exemption from federal income taxes under
10 section 501(a) of the Internal Revenue Code, or similar successor
11 provisions.

12 (b) Nonprofit facilities shall not include:

13 (i) ((provided that)) facilities ((which))that may be
14 ((funded pursuant to))financed by the Washington higher education
15 facilities authority under chapter 28B.07 RCW, except for specified
16 facilities with respect to which the authority has declared that it
17 does not want to be the exclusive financing authority.

18 (ii) ((35.82, 43.180, or)) facilities that may be financed
19 by the Washington health care facilities authority under chapter
20 70.37 RCW ((shall not be included in this definition)), except for
21 facilities for persons with mental illness and/or developmental
22 disabilities that are not hospital-based evaluation-and-treatment
23 facilities, and except for specified facilities with respect to
24 which the authority has declared that it does not want to be the
25 exclusive financing authority.

1 (7) "Project costs" means costs of (a) acquisition,
2 construction, and improvement of any facilities included in a
3 nonprofit facility; (b) architectural, engineering, consulting,
4 accounting, and legal costs related directly to the development,
5 financing, and construction of a nonprofit facility, including
6 costs of studies assessing the feasibility of a nonprofit facility;
7 (c) finance costs, including discounts, if any, the costs of
8 issuing revenue bonds, and costs incurred in carrying out any trust
9 agreement; (d) interest during construction and during the six
10 months after estimated completion of construction, and capitalized
11 debt service or repair and replacement or other appropriate
12 reserves; (e) the refunding of any outstanding obligations incurred
13 for any of the costs outlined in this subsection; and (f) other
14 costs incidental to any of the costs listed in this section.

15 (8) "Revenue bond" means a taxable or tax-exempt nonrecourse
16 revenue bond, nonrecourse revenue note, or other nonrecourse
17 revenue obligation issued for the purpose of providing financing to
18 a nonprofit corporation on an interim or permanent basis.

19 (9) "User" means one or more persons acting as lessee,
20 purchaser, mortgagor, or borrower under a financing document and
21 may include a party who transfers the right of use and occupancy to
22 another party by lease, sublease, or otherwise.

23 **NEW SECTION. Sec. 2.** There is added to chapter 43.180 RCW a
24 new section to read as follows:

25 With respect to any nonprofit corporation receiving financing

1 under RCW 43.180.300 through 43.180.360 which also receives
2 payments pursuant to a contract with the state, the issuance of
3 bonds by the commission shall not imply any expectation or
4 obligation of the state to continue such payments beyond the terms
5 of then-existing contracts."

Effect: Rearranges the definition of "nonprofit facility,"
incorporating technical changes. Includes as a new section
the language of the Capital Facilities and Financing Committee
amendment.