

SSB 5908 - S AMD 455

By Senators Zarelli, Poulsen

ADOPTED 06/05/2003

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** SHORT TITLE. This act shall be known as
4 the building Washington's future act.

5 NEW SECTION. **Sec. 2.** INTENT. The state's institutions of higher
6 education are a vital component of the future economic prosperity of
7 our state. In order to ensure that Washington continues to be able to
8 provide a highly qualified work force that can attract businesses and
9 support the economic vitality of the state, it is the intent of this
10 bond act to provide new money for capital projects to help fulfill
11 higher education needs across the state.

12 This new source of funding for the critical capital needs of the
13 state's institutions of higher education furthers the mission of higher
14 education and is intended to enhance the abilities of those
15 institutions, over the next six years, to fulfill their critical roles
16 in maintaining and stimulating the state's economy.

17 It is the intent of the legislature that this new source of funding
18 not displace funding levels for the capital and operating budgets of
19 the institutions of higher education. It is instead intended that the
20 new funding will allow the institutions, over the next three biennia,
21 to use the current level of capital funding to provide for many of
22 those urgent preservation, replacement, and maintenance needs that have
23 been deferred. This approach is designed to maintain or improve the
24 current infrastructure of our institutions of higher education, and
25 simultaneously to provide new instruction and research capacity to
26 serve the increasing number of traditional college-aged students and
27 those adults returning to college to update skills or retrain so that
28 they can meet the demands of Washington's changing work force. This
29 new source of funding may also be used for major preservation projects

1 that renovate, replace, or modernize facilities to enhance
2 capacity/access by maintaining or improving the usefulness of existing
3 space for important instruction and research programs.

4 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions in this
5 section apply throughout this chapter unless the context clearly
6 requires otherwise.

7 (1) "Bonds" means bonds, notes, commercial paper, certificates of
8 indebtedness, or other evidences of indebtedness of the state issued
9 under this chapter.

10 (2) "Institutions of higher education" means the University of
11 Washington and Washington State University, Western Washington
12 University at Bellingham, Central Washington University at Ellensburg,
13 Eastern Washington University at Cheney, The Evergreen State College,
14 and the community colleges and technical colleges as defined by RCW
15 28B.50.030.

16 (3) "Washington's future bonds" means all or any portion of the
17 general obligation bonds authorized in section 4 of this act.

18 NEW SECTION. **Sec. 4.** WASHINGTON'S FUTURE BONDS AUTHORIZED. (1)
19 For the purpose of providing needed capital improvements consisting of
20 the predesign, design, acquisition, construction, modification,
21 renovation, expansion, equipping, and other improvement of state
22 buildings and facilities for the institutions of higher education, the
23 state finance committee is authorized to issue general obligation bonds
24 of the state of Washington in the sum of seven hundred seventy-two
25 million five hundred thousand dollars, or so much thereof as may be
26 required, to finance all or a part of the cost of these projects and
27 all costs incidental thereto. The bonds issued under the authority of
28 this section shall be known as Washington's future bonds.

29 (2) Bonds authorized in this section shall be sold in the manner,
30 at the time or times, in amounts, and at such prices as the state
31 finance committee shall determine.

32 (3) No bonds authorized in this section may be offered for sale
33 without prior legislative appropriation of the net proceeds of the sale
34 of the bonds.

1 NEW SECTION. **Sec. 5.** BOND ISSUANCE--INTENT. It is the intent of
2 the legislature that the proceeds of new bonds authorized in this
3 chapter will be appropriated in phases over three biennia, beginning
4 with the 2003-2005 biennium, to provide additional funding for capital
5 projects and facilities of the institutions of higher education above
6 historical levels of funding.

7 This chapter is not intended to limit the legislature's ability to
8 appropriate bond proceeds if the full amount authorized in this chapter
9 has not been appropriated after three biennia, and the authorization to
10 issue bonds contained in this chapter does not expire until the full
11 authorization has been appropriated and issued.

12 NEW SECTION. **Sec. 6.** TERMS AND COVENANTS. (1) The state finance
13 committee is authorized to prescribe the form, terms, conditions, and
14 covenants of the bonds provided for in this chapter, the time or times
15 of sale of all or any portion of them, and the conditions and manner of
16 their sale and issuance.

17 (2) Bonds issued under this chapter shall state that they are a
18 general obligation of the state of Washington, shall pledge the full
19 faith and credit of the state to the payment of the principal thereof
20 and the interest thereon, and shall contain an unconditional promise to
21 pay the principal and interest as the same shall become due.

22 NEW SECTION. **Sec. 7.** PROCEEDS. (1) The proceeds from the sale of
23 the bonds authorized in section 4 of this act shall be deposited in the
24 Gardner-Evans higher education construction account created in section
25 13 of this act.

26 (2) The proceeds shall be used exclusively for the purposes in
27 section 4 of this act and for the payment of the expenses incurred in
28 connection with the sale and issuance of the bonds.

29 NEW SECTION. **Sec. 8.** The legislature intends to use the proceeds
30 from the sale of bonds issued under this chapter for the following
31 projects during the 2005-07 and 2007-09 biennia:

- 32 (1) For the University of Washington:
33 (a) Life sciences I building;
34 (b) Bothell branch campus phase 2B;

- 1 (2) For Washington State University:
 - 2 (a) Spokane Riverpoint campus - academic center building;
 - 3 (b) Pullman campus - Holland Library renovation;
 - 4 (c) Pullman campus - biotechnology/life sciences 1;
 - 5 (d) TriCities campus - bioproducts and sciences building; and
 - 6 (e) Intercollegiate College of Nursing, Spokane - nursing building
 - 7 at Riverpoint;
- 8 (3) For Eastern Washington University: Hargreaves Hall;
- 9 (4) For Central Washington University: Hogue technology;
- 10 (5) For The Evergreen State College:
 - 11 (a) Daniel J. Evans building;
 - 12 (b) Communications building and theater expansion;
 - 13 (6) For Western Washington University:
 - 14 (a) Academic instructional center;
 - 15 (b) Parks Hall;
 - 16 (c) Performing Arts Center renovation;
 - 17 (7) For the community and technical college system:
 - 18 (a) Green River Community College science building;
 - 19 (b) Walla Walla Community College basic skills/computer lab;
 - 20 (c) Pierce College Puyallup, communication arts and allied health;
- 21 or
- 22 (8) For other projects that maintain or increase access to
- 23 institutions of higher education.

24 NEW SECTION. **Sec. 9.** PAYMENT PROCEDURES. (1) The debt-limit
25 general fund bond retirement account shall be used for the payment of
26 the principal of and interest on the bonds authorized in this chapter.

27 (2) The state finance committee shall, on or before June 30th of
28 each year, certify to the state treasurer the amount needed in the
29 ensuing twelve months to meet the bond retirement and interest
30 requirements on the bonds authorized in this chapter.

31 (3) On each date on which any interest or principal and interest
32 payment is due on bonds issued under this chapter, the state treasurer
33 shall withdraw from any general state revenues received in the state
34 treasury and deposit in the debt-limit general fund bond retirement
35 account an amount equal to the amount certified by the state finance
36 committee to be due on the payment date.

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

5 NEW SECTION. **Sec. 10.** BONDS--LEGAL INVESTMENT FOR PUBLIC FUNDS.
6 The bonds authorized by this chapter shall constitute a legal
7 investment for all state funds or for funds under state control and all
8 funds of municipal corporations.

9 NEW SECTION. **Sec. 11.** ADDITIONAL METHODS OF PAYING DEBT SERVICE
10 AUTHORIZED. The legislature may provide additional means for raising
11 moneys for the payment of the principal of and interest on the bonds
12 authorized under this chapter, and section 9 of this act shall not be
13 deemed to provide an exclusive method for payment.

14 NEW SECTION. **Sec. 12.** CHAPTER SUPPLEMENTAL. This chapter
15 provides a complete, additional, and alternative method for
16 accomplishing the purposes of this chapter and is supplemental and
17 additional to powers conferred by other laws. The issuance of bonds
18 under this chapter shall not be deemed to be the only method to fund
19 projects under this chapter.

20 NEW SECTION. **Sec. 13.** CREATION OF THE GARDNER-EVANS HIGHER
21 EDUCATION CONSTRUCTION ACCOUNT. The Gardner-Evans higher education
22 construction account is created in the state treasury. Proceeds from
23 the bonds issued under section 4 of this act shall be deposited in the
24 account. The account shall be used for purposes of section 4 of this
25 act. Moneys in the account may be spent only after appropriation.

26 NEW SECTION. **Sec. 14.** CAPTIONS NOT LAW. Captions used in this
27 act are not any part of the law.

28 NEW SECTION. **Sec. 15.** If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 16.** Sections 1 through 15 of this act
2 constitute a new chapter in Title 28B RCW."

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3 On page 1, line 2 of the title, after "education;" strike the
4 remainder of the title and insert "and adding a new chapter to Title
5 28B RCW."

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