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**SUBSTITUTE HOUSE BILL 2254**

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**State of Washington                      61st Legislature                      2009 Regular Session**

**By** House Capital Budget (originally sponsored by Representatives White, Dunshee, and Kenney; by request of Office of Financial Management)

READ FIRST TIME 03/02/09.

1            AN ACT Relating to construction financing for state colleges and  
2 universities; and amending RCW 28B.15.210, 28B.15.310, 28B.35.370, and  
3 28B.50.360.

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

5            **Sec. 1.** RCW 28B.15.210 and 1985 c 390 s 20 are each amended to  
6 read as follows:

7            Within thirty-five days from the date of collection thereof, all  
8 building fees at the University of Washington, including building fees  
9 to be charged students registering in the schools of medicine and  
10 dentistry, shall be paid into the state treasury and credited as  
11 follows:

12            One-half or such larger portion as may be necessary to prevent a  
13 default in the payments required to be made out of the bond retirement  
14 fund, and in no event shall such one-half be less than twelve dollars  
15 and fifty cents per each resident student per quarter, and thirty-seven  
16 dollars and fifty cents per each nonresident student per quarter to the  
17 "University of Washington bond retirement fund" and the remainder  
18 thereof to the "University of Washington building account." The sum so  
19 credited to the University of Washington building account shall be used

1 exclusively for the purpose of erecting, altering, maintaining,  
2 equipping, or furnishing buildings, paying debt service on bonds  
3 including university bonds under chapter 28B.140 RCW, chapter 28B.142  
4 RCW, or RCW 28B.10.300 through 28B.10.335 issued for such purpose as  
5 authorized by the legislature, and for certificates of participation  
6 under chapter 39.94 RCW, except for any sums transferred as authorized  
7 in RCW 28B.20.725(3). The sum so credited to the University of  
8 Washington bond retirement fund shall be used for the payment of  
9 principal of and interest on bonds outstanding as provided by chapter  
10 28B.20 RCW except for any sums transferred as authorized in RCW  
11 28B.20.725(5).

12 **Sec. 2.** RCW 28B.15.310 and 1985 c 390 s 22 are each amended to  
13 read as follows:

14 Within thirty-five days from the date of collection thereof, all  
15 building fees shall be paid into the state treasury and credited to the  
16 Washington State University bond retirement fund, one-half or such  
17 larger portion as may be necessary to prevent a default in the payments  
18 required to be made out of such bond retirement fund; the remainder  
19 thereof to the Washington State University building account.

20 The sum so credited to the Washington State University building  
21 account shall be expended by the board of regents for buildings,  
22 equipment, or maintenance on the campus of Washington State University  
23 as may be deemed most advisable and for the best interests of the  
24 university, and for certificates of participation under chapter 39.94  
25 RCW, except for any sums transferred as authorized by law.  
26 Expenditures so made shall be accounted for in accordance with existing  
27 law and shall not be expended until appropriated by the legislature.

28 The sum so credited to the Washington State University bond  
29 retirement fund shall be used to pay and secure the payment of the  
30 principal of and interest on building bonds issued by the university,  
31 except for any sums which may be transferred out of such fund as  
32 authorized by law.

33 **Sec. 3.** RCW 28B.35.370 and 1991 sp.s. c 13 s 49 are each amended  
34 to read as follows:

35 Within thirty-five days from the date of collection thereof all  
36 building fees of each regional university and The Evergreen State

1 College shall be paid into the state treasury and these together with  
2 such normal school fund revenues as provided in RCW 28B.35.751 as are  
3 received by the state treasury shall be credited as follows:

4 (1) On or before June 30th of each year the board of trustees of  
5 each regional university and The Evergreen State College, if issuing  
6 bonds payable out of its building fees and above described normal  
7 school fund revenues, shall certify to the state treasurer the amounts  
8 required in the ensuing twelve months to pay and secure the payment of  
9 the principal of and interest on such bonds. The amounts so certified  
10 by each regional university and The Evergreen State College shall be a  
11 prior lien and charge against all building fees and above described  
12 normal school fund revenues of such institution. The state treasurer  
13 shall thereupon deposit the amounts so certified in the Eastern  
14 Washington University capital projects account, the Central Washington  
15 University capital projects account, the Western Washington University  
16 capital projects account, or The Evergreen State College capital  
17 projects account respectively, which accounts are hereby created in the  
18 state treasury. The amounts deposited in the respective capital  
19 projects accounts shall be used (~~exclusively~~) to pay and secure the  
20 payment of the principal of and interest on the building bonds issued  
21 by such regional universities and The Evergreen State College as  
22 authorized by law. If in any twelve month period it shall appear that  
23 the amount certified by any such board of trustees is insufficient to  
24 pay and secure the payment of the principal of and interest on the  
25 outstanding building and above described normal school fund revenue  
26 bonds of its institution, the state treasurer shall notify the board of  
27 trustees and such board shall adjust its certificate so that all  
28 requirements of moneys to pay and secure the payment of the principal  
29 of and interest on all such bonds then outstanding shall be fully met  
30 at all times.

31 (2) All normal school fund revenue pursuant to RCW 28B.35.751 shall  
32 be deposited in the Eastern Washington University capital projects  
33 account, the Central Washington University capital projects account,  
34 the Western Washington University capital projects account, or The  
35 Evergreen State College capital projects account respectively, which  
36 accounts are hereby created in the state treasury. The sums deposited  
37 in the respective capital projects accounts shall be appropriated and  
38 expended (~~exclusively~~) to pay and secure the payment of the principal

1 of and interest on bonds payable out of the building fees and normal  
2 school revenue and for the construction, reconstruction, erection,  
3 equipping, maintenance, demolition and major alteration of buildings  
4 and other capital assets, and the acquisition of sites, rights-of-way,  
5 easements, improvements or appurtenances in relation thereto except for  
6 any sums transferred therefrom as authorized by law.

7 (3) Building fees deposited in the respective capital projects  
8 accounts may also be used for certificates of participation under  
9 chapter 39.94 RCW.

10 **Sec. 4.** RCW 28B.50.360 and 2005 c 488 s 922 are each amended to  
11 read as follows:

12 Within thirty-five days from the date of start of each quarter all  
13 collected building fees of each such community and technical college  
14 shall be paid into the state treasury, and shall be credited as  
15 follows:

16 (1) On or before June 30th of each year the college board if  
17 issuing bonds payable out of building fees shall certify to the state  
18 treasurer the amounts required in the ensuing twelve-month period to  
19 pay and secure the payment of the principal of and interest on such  
20 bonds. The state treasurer shall thereupon deposit the amounts so  
21 certified in the community and technical college capital projects  
22 account. Such amounts of the funds deposited in the community and  
23 technical college capital projects account as are necessary to pay and  
24 secure the payment of the principal of and interest on the building  
25 bonds issued by the college board as authorized by this chapter shall  
26 be ((~~exclusively~~)) devoted to that purpose. If in any twelve-month  
27 period it shall appear that the amount certified by the college board  
28 is insufficient to pay and secure the payment of the principal of and  
29 interest on the outstanding building bonds, the state treasurer shall  
30 notify the college board and such board shall adjust its certificate so  
31 that all requirements of moneys to pay and secure the payment of the  
32 principal and interest on all such bonds then outstanding shall be  
33 fully met at all times.

34 (2) The community and technical college capital projects account is  
35 hereby created in the state treasury. The sums deposited in the  
36 capital projects account shall be appropriated and expended  
37 ((~~exclusively~~)) to pay and secure the payment of the principal of and

1 interest on bonds payable out of the building fees and for the  
2 construction, reconstruction, erection, equipping, maintenance,  
3 demolition and major alteration of buildings and other capital assets  
4 owned by the state board for community and technical colleges in the  
5 name of the state of Washington, and the acquisition of sites, rights-  
6 of-way, easements, improvements or appurtenances in relation thereto,  
7 engineering and architectural services provided by the department of  
8 general administration, and for the payment of principal of and  
9 interest on any bonds issued for such purposes.

10 (3) Building fees deposited in the community and technical college  
11 capital projects account may also be used for certificates of  
12 participation under chapter 39.94 RCW.

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