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HOUSE BILL 2254

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State of Washington

61st Legislature

2009 Regular Session

By Representatives White, Dunshee, and Kenney; by request of Office of Financial Management

Read first time 02/18/09. Referred to Committee on Capital Budget.

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, and for certificates of  
3 participation under chapter 39.94 RCW, except for any sums transferred  
4 as authorized in RCW 28B.20.725(3). The sum so credited to the  
5 University of Washington bond retirement fund shall be used for the  
6 payment of principal of and interest on bonds outstanding as provided  
7 by chapter 28B.20 RCW except for any sums transferred as authorized in  
8 RCW 28B.20.725(5).

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

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

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

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

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

32 Within thirty-five days from the date of collection thereof all  
33 building fees of each regional university and The Evergreen State  
34 College shall be paid into the state treasury and these together with  
35 such normal school fund revenues as provided in RCW 28B.35.751 as are  
36 received by the state treasury shall be credited as follows:

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

28           (2) All normal school fund revenue pursuant to RCW 28B.35.751 shall  
29 be deposited in the Eastern Washington University capital projects  
30 account, the Central Washington University capital projects account,  
31 the Western Washington University capital projects account, or The  
32 Evergreen State College capital projects account respectively, which  
33 accounts are hereby created in the state treasury. The sums deposited  
34 in the respective capital projects accounts shall be appropriated and  
35 expended (~~exclusively~~) to pay and secure the payment of the principal  
36 of and interest on bonds payable out of the building fees and normal  
37 school revenue and for the construction, reconstruction, erection,  
38 equipping, maintenance, demolition and major alteration of buildings

1 and other capital assets, and the acquisition of sites, rights-of-way,  
2 easements, improvements or appurtenances in relation thereto except for  
3 any sums transferred therefrom as authorized by law.

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

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

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

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

31 (2) The community and technical college capital projects account is  
32 hereby created in the state treasury. The sums deposited in the  
33 capital projects account shall be appropriated and expended  
34 ((~~exclusively~~)) to pay and secure the payment of the principal of and  
35 interest on bonds payable out of the building fees and for the  
36 construction, reconstruction, erection, equipping, maintenance,  
37 demolition and major alteration of buildings and other capital assets

1 owned by the state board for community and technical colleges in the  
2 name of the state of Washington, and the acquisition of sites, rights-  
3 of-way, easements, improvements or appurtenances in relation thereto,  
4 engineering and architectural services provided by the department of  
5 general administration, and for the payment of principal of and  
6 interest on any bonds issued for such purposes.

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

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