
ENGROSSED SUBSTITUTE SENATE BILL 5098

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Loveland, Sheldon, Snyder, Fairley and Kohl)

Read first time 03/05/97.

1 AN ACT Relating to general obligation bond debt service payments
2 from the community and technical college capital projects account;
3 amending RCW 28B.50.360; amending 1997 c 235 s 709 (uncodified); and
4 declaring an emergency.

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

6 **Sec. 1.** RCW 28B.50.360 and 1997 c 42 s 1 are each amended to read
7 as follows:

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

12 (1) On or before June 30th of each year the college board if
13 issuing bonds payable out of building fees shall certify to the state
14 treasurer the amounts required in the ensuing twelve-month period to
15 pay and secure the payment of the principal of and interest on such
16 bonds. The state treasurer shall thereupon deposit the amounts so
17 certified in the community and technical college capital projects
18 account. Such amounts of the funds deposited in the community and
19 technical college capital projects account as are necessary to pay and

1 secure the payment of the principal of and interest on the building
2 bonds issued by the college board as authorized by this chapter shall
3 be exclusively devoted to that purpose. If in any twelve-month period
4 it shall appear that the amount certified by the college board is
5 insufficient to pay and secure the payment of the principal of and
6 interest on the outstanding building bonds, the state treasurer shall
7 notify the college board and such board shall adjust its certificate so
8 that all requirements of moneys to pay and secure the payment of the
9 principal and interest on all such bonds then outstanding shall be
10 fully met at all times.

11 (2) The community and technical college capital projects account is
12 hereby created in the state treasury. The sums deposited in the
13 capital projects account shall be appropriated and expended exclusively
14 to pay and secure the payment of the principal of and interest on bonds
15 payable out of the building fees and for the construction,
16 reconstruction, erection, equipping, maintenance, demolition and major
17 alteration of buildings and other capital assets owned by the state
18 board for community and technical colleges in the name of the state of
19 Washington, and the acquisition of sites, rights-of-way, easements,
20 improvements or appurtenances in relation thereto, and for the payment
21 of principal of and interest on any bonds issued for such purposes.

22 ~~((3) Notwithstanding the provisions of subsections (1) and (2) of~~
23 ~~this section, at such time as all outstanding building bonds of the~~
24 ~~college board payable from the community and technical college capital~~
25 ~~projects account have been paid, redeemed, and retired, or at such time~~
26 ~~as ample provision has been made by the state for full payment, from~~
27 ~~some source other than the community and technical college capital~~
28 ~~projects account, of the principal of and the interest on and call~~
29 ~~premium, if applicable, of such bonds as they mature and/or upon their~~
30 ~~call prior to their maturity, through refunding or otherwise, that~~
31 ~~portion of all building fees of the community and technical colleges~~
32 ~~equal to the amount required to pay yearly debt service on any general~~
33 ~~obligation bonds issued by the state in accordance with Article VIII,~~
34 ~~section 1, Washington state Constitution, for community and technical~~
35 ~~college purposes, shall be paid into the general fund of the state~~
36 ~~treasury. The state finance committee shall determine whether ample~~
37 ~~provision has been made for payment of such bonds payable from the~~
38 ~~community and technical college capital projects account and shall~~
39 ~~determine the amount required to pay yearly debt service on such~~

1 ~~general obligation bonds of the state. Nothing in this subsection~~
2 ~~shall be construed as obligating the legislature or the state to~~
3 ~~provide for payment of such college building bonds from some source~~
4 ~~other than the community and technical college capital projects account~~
5 ~~or as pledging the general credit of the state to the payment of such~~
6 ~~bonds.)~~)

7 **Sec. 2.** 1997 c 235 s 709 (uncodified) is amended to read as
8 follows:

9 Notwithstanding any other provisions of law, (~~for the 1997-99~~
10 ~~biennium,~~) transfers of reimbursement by the state treasurer to the
11 general fund from the community college capital projects account for
12 debt service payments made under Title 28B RCW shall occur only after
13 such debt service payment has been made and only to the extent that
14 funds are actually available to the account. Any (~~unpaid~~
15 ~~reimbursements shall be a continued obligation against the community~~
16 ~~college capital projects account until paid~~) reimbursements unpaid as
17 of June 30, 1998, are hereby forgiven. The state board for community
18 and technical colleges need not accumulate any specific balance in the
19 community college capital projects account in anticipation of transfers
20 to reimburse the general fund.

21 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
22 preservation of the public peace, health, or safety, or support of the
23 state government and its existing public institutions, and takes effect
24 immediately.

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