

SENATE BILL REPORT

SB 5159

As Passed Senate, March 9, 2001

Title: An act relating to investments of surplus funds by four-year institutions of higher education.

Brief Description: Authorizing four-year public institutions of higher education to participate with the state in investing surplus funds.

Sponsors: Senators Winsley, Gardner, Kohl-Welles, Horn, Prentice and Carlson.

Brief History:

Committee Activity: Higher Education: 1/29/01, 2/5/01 [DP].

Passed Senate: 3/9/01, 46-1.

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Carlson, Horn, Jacobsen, McAuliffe, Sheahan and B. Sheldon.

Staff: Casey Bui (786-7448)

Background: A public funds investment account was created to allow political subdivisions to invest surplus funds with the State Treasurer. The State Treasurer must keep a separate account for each participant in the investment pool. Community and technical colleges and the State Board for Community and Technical Colleges were authorized to participate in 1996. Currently, public four-year institutions are not allowed to participate.

Summary of Bill: Public four-year institutions of higher education are allowed to participate with the state in investing surplus funds.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Allowing public four-year institutions of higher education to invest surplus funds with the State Treasurer makes fiscal sense. It allows public colleges and universities to weather budget problems while giving a greater rate of return than currently available to them.

Testimony Against: None.

Testified: PRO: Senator Shirley Winsley; Ann Daley (COP).

