
HOUSE BILL 2334

State of Washington

61st Legislature

2009 Regular Session

By Representatives Dunshee, Williams, Hunt, Ormsby, White, Conway, Hudgins, and Chase

Read first time 04/06/09. Referred to Committee on Capital Budget.

1 AN ACT Relating to creating jobs by funding construction of safety,
2 health, and energy-saving improvements to public facilities; adding a
3 new chapter to Title 43 RCW; creating new sections; and providing for
4 submission of certain sections of this act to a vote of the people.

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

6 PART I

7 SHORT TITLE AND INTENT

8 NEW SECTION. Sec. 101. This act may be known and cited as the
9 Washington works act.

10 NEW SECTION. Sec. 102. The legislature intends to create jobs and
11 increase the quality of life of all Washington citizens by issuing
12 bonds for the investment in safety, health, and energy efficient
13 improvements to public facilities in all public K-12 school districts,
14 community and technical colleges, state universities, regional
15 universities, The Evergreen State College, and other public facilities.
16 This new source of funding for the critical capital needs of the

1 state's public facilities furthers the policy goals of the state and is
2 intended to enhance the ability of the state to fulfill its essential
3 role in stimulating the state's economy by creating jobs.

4 It is the intent of the legislature that this new source of funding
5 will not displace funding levels for the capital and operating budgets
6 of the state. It is instead intended that the new funding will allow
7 the public entities to use the current level of capital funding to
8 provide for many of those urgent needs. The legislature also intends
9 that the funds made available in this act be expended as quickly as
10 possible consistent with good management practices in order to provide
11 jobs for Washington families and realize long-term economic benefits
12 for our state.

13 **PART II**
14 **BOND AUTHORIZATION**

15 NEW SECTION. **Sec. 201.** (1) For the purpose of creating jobs by
16 constructing needed capital improvements for the safety, health, and
17 energy efficiency of public facilities, the state finance committee is
18 authorized to issue general obligation bonds of the state of Washington
19 in the sum of three billion dollars, or so much thereof as may be
20 required, for this purpose and all costs incidental thereto. The bonds
21 issued under the authority of this section shall be known as Washington
22 works bonds.

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

26 (3) The authorization to issue bonds contained in this chapter does
27 not expire until the full authorization has been issued.

28 (4) No bonds authorized in this section may be offered for sale
29 without prior legislative appropriation of the net proceeds of the sale
30 of the bonds.

31 NEW SECTION. **Sec. 202.** (1) The nondebt-limit reimbursable bond
32 retirement account shall be used for the payment of the principal of
33 and interest on the bonds authorized in section 201 of this act.

34 (2) The state finance committee shall, on or before June 30th of

1 each year, certify to the state treasurer the amount needed in the
2 ensuing twelve months to meet the bond retirement and interest
3 requirements on the bonds authorized in section 201 of this act.

4 (3) On each date on which any interest or principal and interest
5 payment is due on bonds issued for the purposes of section 201 of this
6 act, the state treasurer shall transfer from the stabilization debt
7 payment account created in section 204 of this act for deposit into the
8 nondebt-limit reimbursable bond retirement account the amount computed
9 in subsection (2) of this section for bonds issued for the purposes of
10 section 201 of this act.

11 (4) If the stabilization debt payment account has insufficient
12 revenues to pay the principal and interest computed in subsection (2)
13 of this section, then the nondebt-limit general fund bond retirement
14 account shall be used for the payment of the remaining principal and
15 interest computed in subsection (2) of this section from any additional
16 means provided by the legislature.

17 NEW SECTION. **Sec. 203.** (1) Bonds issued under part II of this act
18 shall state that they are a general obligation of the state of
19 Washington, shall pledge the full faith and credit of the state to the
20 payment of the principal thereof and the interest thereon, and shall
21 contain an unconditional promise to pay the principal and interest as
22 the same shall become due.

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

27 NEW SECTION. **Sec. 204.** The stabilization debt payment account is
28 created in the state treasury. All receipts from energy savings
29 authorized in section 309 of this act must be deposited in the account.
30 Moneys in the account may be spent only after appropriation.

31 **PART III**
32 **APPROPRIATIONS**

33 NEW SECTION. **Sec. 301. FOR THE SUPERINTENDENT OF PUBLIC**

1 **INSTRUCTION**

2 K-12 School Safety, Health, and Energy Efficiency

3 The appropriation in this section is subject to the following
4 conditions and limitations:

5 (1) The appropriation is provided solely for modernization and
6 renovation of school facilities to improve the safety, health, and
7 energy efficiency of school buildings. Within the total amount, the
8 office of the superintendent of public instruction shall provide
9 \$100,000 to each school district and distribute the remainder by equal
10 amounts per full-time equivalent student in each school district.

11 (2) The superintendent of public instruction shall report to the
12 appropriate committees of the legislature and the office of financial
13 management on the timing and use of the funds by the end of each fiscal
14 year, until the funds are fully expended.

15 Appropriation:

16	Washington Works Account--State	\$2,002,000,000
17	Prior Biennia (Expenditures)\$0
18	Future Biennia (Projected Costs)	\$0
19	TOTAL	\$2,002,000,000

20 NEW SECTION. **Sec. 302. FOR THE COMMUNITY AND TECHNICAL COLLEGE**
21 **SYSTEM**

22 Community and Technical College Safety, Health, and Energy
23 Efficiency

24 The appropriation in this section is subject to the following
25 conditions and limitations: The appropriation is provided solely for
26 improvements related to safety, health, and energy efficiency of
27 facilities. Energy efficiency projects shall take priority for the
28 funds received from this appropriation. The state board for community
29 and technical colleges system board shall report to the appropriate
30 committees of the legislature and the office of financial management on
31 the timing and use of the funds by the end of each fiscal year, until
32 the funds are fully expended.

33 Appropriation:

34	Washington Works Account--State	\$286,000,000
35	Prior Biennia (Expenditures)\$0

1 Future Biennia (Projected Costs) \$0
 2 TOTAL \$286,000,000

3 NEW SECTION. **Sec. 303. FOR THE UNIVERSITY OF WASHINGTON**

4 University of Washington Safety, Health, and Energy Efficiency

5 The appropriation in this section is subject to the following
 6 conditions and limitations: The appropriation is provided solely for
 7 improvements related to safety, health, and energy efficiency of
 8 facilities. Energy efficiency projects shall take priority for the
 9 funds received from this appropriation. The University of Washington
 10 shall report to the appropriate committees of the legislature and the
 11 office of financial management on the timing and use of the funds by
 12 the end of each fiscal year, until the funds are fully expended.

13 Appropriation:

14 Washington Works Account--State \$79,100,000
 15 Prior Biennia (Expenditures) \$0
 16 Future Biennia (Projected Costs) \$0
 17 TOTAL \$79,100,000

18 NEW SECTION. **Sec. 304. FOR WASHINGTON STATE UNIVERSITY**

19 Washington State University Safety, Health, and Energy Efficiency

20 The appropriation in this section is subject to the following
 21 conditions and limitations: The appropriation is provided solely for
 22 improvements related to safety, health, and energy efficiency of
 23 facilities. Energy efficiency projects shall take priority for the
 24 funds received from this appropriation. Washington State University
 25 shall report to the appropriate committees of the legislature and the
 26 office of financial management on the timing and use of the funds by
 27 the end of each fiscal year, until the funds are fully expended.

28 Appropriation:

29 Washington Works Account--State \$45,700,000
 30 Prior Biennia (Expenditures) \$0
 31 Future Biennia (Projected Costs) \$0
 32 TOTAL \$45,700,000

1 NEW SECTION. **Sec. 305. FOR WESTERN WASHINGTON UNIVERSITY**

2 Western Washington University Safety, Health, and Energy Efficiency

3 The appropriation in this section is subject to the following
4 conditions and limitations: The appropriation is provided solely for
5 improvements related to safety, health, and energy efficiency of
6 facilities. Energy efficiency projects shall take priority for the
7 funds received from this appropriation. Western Washington University
8 shall report to the appropriate committees of the legislature and the
9 office of financial management on the timing and use of the funds by
10 the end of each fiscal year, until the funds are fully expended.

11 Appropriation:

12	Washington Works Account--State	\$25,000,000
13	Prior Biennia (Expenditures)\$0
14	Future Biennia (Projected Costs)	\$0
15	TOTAL	\$25,000,000

16 NEW SECTION. **Sec. 306. FOR EASTERN WASHINGTON UNIVERSITY**

17 Eastern Washington University Safety, Health, and Energy Efficiency

18 The appropriation in this section is subject to the following
19 conditions and limitations: The appropriation is provided solely for
20 improvements related to safety, health, and energy efficiency of
21 facilities. Energy efficiency projects shall take priority for the
22 funds received from this appropriation. Eastern Washington University
23 shall report to the appropriate committees of the legislature and the
24 office of financial management on the timing and use of the funds by
25 the end of each fiscal year, until the funds are fully expended.

26 Appropriation:

27	Washington Works Account--State	\$19,100,000
28	Prior Biennia (Expenditures)\$0
29	Future Biennia (Projected Costs)	\$0
30	TOTAL	\$19,100,000

31 NEW SECTION. **Sec. 307. FOR CENTRAL WASHINGTON UNIVERSITY**

32 Central Washington University Safety, Health, and Energy Efficiency

1 The appropriation in this section is subject to the following
2 conditions and limitations: The appropriation is provided solely for
3 improvements related to safety, health, and energy efficiency of
4 facilities. Energy efficiency projects shall take priority for the
5 funds received from this appropriation. Central Washington University
6 shall report to the appropriate committees of the legislature and the
7 office of financial management on the timing and use of the funds by
8 the end of each fiscal year, until the funds are fully expended.

9 Appropriation:

10	Washington Works Account--State	\$18,800,000
11	Prior Biennia (Expenditures)\$0
12	Future Biennia (Projected Costs)	\$0
13	TOTAL	\$18,800,000

14 NEW SECTION. **Sec. 308. FOR THE EVERGREEN STATE COLLEGE**

15 The Evergreen State College Safety, Health, and Energy Efficiency

16 The appropriation in this section is subject to the following
17 conditions and limitations: The appropriation is provided solely for
18 improvements related to safety, health, and energy efficiency of
19 facilities. Energy efficiency projects shall take priority for the
20 funds received from this appropriation. The Evergreen State College
21 shall report to the appropriate committees of the legislature and the
22 office of financial management on the timing and use of the funds by
23 the end of each fiscal year, until the funds are fully expended.

24 Appropriation:

25	Washington Works Account--State	\$8,600,000
26	Prior Biennia (Expenditures)\$0
27	Future Biennia (Projected Costs)	\$0
28	TOTAL	\$8,600,000

29 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF GENERAL**
30 **ADMINISTRATION**

31 Public Facility Energy Efficiency

32 The appropriation in this section is subject to the following
33 conditions and limitations:

1 (1) The appropriation is provided solely for energy efficiency
2 improvements to public buildings. The director of general
3 administration, in consultation with the Washington State University
4 energy extension program and the department of community, trade, and
5 economic development, shall provide energy efficiency services as soon
6 as practicable for all public facilities. Performance-based
7 contracting shall be the preferred method of delivering energy
8 efficiency services, unless the department of general administration
9 finds another method of delivering energy efficiency services will be
10 more efficient or cost-effective.

11 (2) One-half of the monetary savings from the energy efficiency
12 improvements financed in this section shall be deposited into the
13 stabilization debt payment account.

14 (3) Up to \$200,000,000 of the appropriation is provided for energy
15 efficiency improvements in public schools, including K-12 schools,
16 community and technical colleges, state universities, regional
17 universities, and The Evergreen State College.

18 (4) The department shall report to the appropriate committees of
19 the legislature and the office of financial management on the timing
20 and use of the funds by the end of each fiscal year, until the funds
21 are fully expended.

22 (5) The definitions in this section apply throughout this act
23 unless the context clearly requires otherwise.

24 (a) "Energy-saving performance contracting" means the process
25 authorized by chapter 39.35C RCW by which a company contracts with a
26 state agency to conduct no-cost energy audits, guarantee energy savings
27 from energy efficiency, provide financing for energy efficiency
28 improvements, and agree to be paid for its investment solely from
29 savings resulted from the energy efficiency improvement installed or
30 implemented.

31 (b) "Energy efficiency services" includes energy audits,
32 weatherization, energy efficiency retrofits, and energy efficiency
33 measures or improvements.

34 (c) "Public facilities" means buildings, building components, and
35 major equipment or systems.

36 Appropriation:

37 Washington Works Account--State \$500,000,000

1	Prior Biennia (Expenditures)\$0
2	Future Biennia (Projected Costs)	\$0
3	TOTAL	\$500,000,000

4 **PART IV**
5 **TECHNICAL PROVISIONS**

6 NEW SECTION. **Sec. 401.** (1) The legislature may provide additional
7 means for raising moneys for the payment of the principal of and
8 interest on the bonds authorized in section 201 of this act, and
9 section 309 of this act shall not be deemed to provide an exclusive
10 method for their payment.

11 (2) The issuance of bonds under this chapter is not deemed to be
12 the only method to fund projects under this chapter.

13 NEW SECTION. **Sec. 402.** The bonds authorized by this chapter shall
14 constitute a legal investment for all state funds or for funds under
15 state control and all funds of municipal corporations.

16 NEW SECTION. **Sec. 403.** The state finance committee is authorized
17 to prescribe the form, terms, conditions, and covenants of the bonds
18 provided for in this act, the time or times of sale of all or any
19 portion of them, and the conditions and manner of their sale and
20 issuance.

21 NEW SECTION. **Sec. 404.** The Washington works account is created in
22 the state treasury. All receipts from bonds authorized under section
23 201 of this act must be deposited in the account. Moneys in the
24 account may be spent only after appropriation. The proceeds from the
25 sale of the bonds authorized in section 201 of this act shall be
26 deposited in the account. Moneys in the account shall be used
27 exclusively for:

28 (1) The purposes of part III of this act, which includes the
29 safety, health, and energy efficiency improvements to schools and other
30 public facilities; and

31 (2) The payment of the expenses incurred in connection with the
32 sale and issuance of the bonds.

1 **PART V**

2 **REFERENDUM PROVISIONS**

3 NEW SECTION. **Sec. 501.** (1) The secretary of state shall submit
4 parts I and II of this act to the people for their adoption and
5 ratification, or rejection, at the next general election to be held in
6 this state, in accordance with Article II, section 1 and Article VIII,
7 section 3 of the state Constitution and the laws adopted to facilitate
8 their operation.

9 (2) If the people ratify this act as specified under subsection (1)
10 of this section, revenues generated shall be spent as detailed in this
11 act.

12 (3) Pursuant to RCW 29A.72.050(6), the statement of subject and
13 concise description for the ballot title shall read: "The legislature
14 has passed House Bill No (this act), concerning funding
15 improvements for schools and other public facilities. This bill would
16 authorize bonds to construct safety, health, and energy efficiency
17 improvements to schools and other public facilities."

18 NEW SECTION. **Sec. 502.** This act is contingent upon approval by
19 the voters of parts I and II of this act. If parts I and II of this
20 act are not approved by the voters by December 1, 2009, this act is
21 null and void.

22 NEW SECTION. **Sec. 503.** Part headings used in this act are not any
23 part of the law.

24 NEW SECTION. **Sec. 504.** Sections 201 through 204 and 401 through
25 403 of this act constitute a new chapter in Title 43 RCW.

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