

SSB 6468 - H COMM AMD
By Committee on Ways & Means

ADOPTED 03/02/2012

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.10
4 RCW to read as follows:

5 The boards of regents of the University of Washington and
6 Washington State University may each adopt a policy creating an
7 operating funds investment account, and may each deposit public moneys
8 from operating funds not needed for immediate expenditure into that
9 investment account. If a board of regents adopts a policy and deposits
10 public moneys in an operating funds investment account, the state
11 investment board has the full power to invest or reinvest the operating
12 funds investment account in a manner consistent with RCW 43.33A.140.
13 Income derived from investments pursuant to this section shall be for
14 the exclusive benefit of and shall be credited to the state university
15 less the applicable allocations to the state investment board expense
16 account pursuant to RCW 43.33A.160. Each operating funds investment
17 account shall be considered an investment fund within the meaning of
18 Article XXIX, section 1 of the state Constitution, for the purpose of
19 determining eligible investments and deposits of the moneys therein.

20 **Sec. 2.** RCW 43.33A.150 and 2007 c 215 s 4 are each amended to read
21 as follows:

22 (1) The state investment board shall prepare written reports at
23 least quarterly summarizing the investment activities of the state
24 investment board, which reports shall be sent to the governor, the
25 senate ways and means committee, the house appropriations committee,
26 the department of retirement systems, and other agencies having a
27 direct financial interest in the investment of funds by the board, and
28 to other persons on written request. The state investment board shall

1 provide information to the department of retirement systems necessary
2 for the preparation of monthly reports.

3 (2) At least annually, the board shall report on the board's
4 investment activities for the department of labor and industries'
5 accident, medical aid, and reserve funds to the senate financial
6 institutions and insurance committee, the senate economic development
7 and labor committee, and the house commerce and labor committee, or
8 appropriate successor committees.

9 (3) At least annually, the board shall report on the board's
10 investment activities for the higher education permanent funds to the
11 house capital budget committee and the senate ways and means committee.

12 (4) At least annually, the board shall report on the board's
13 investment activities for the University of Washington and Washington
14 State University operating funds investment accounts to the house ways
15 and means committee and the senate ways and means committee.

16 NEW SECTION. **Sec. 3.** This act takes effect if the proposed
17 amendment to Article XXIX, section 1 of the state Constitution (Senate
18 Joint Resolution No. 8223) is validly submitted to and is approved and
19 ratified by the voters at the next general election. If the proposed
20 amendment is not approved and ratified, this act is void in its
21 entirety."

22 Correct the title.

EFFECT: Strikes the provisions of the underlying bill requiring
the regents of the state research universities to adopt policies
governing investments of university funds, and to provide for
preparation of annual investment performance reports.

Allows the University of Washington (UW) and Washington State
University (WSU) boards of regents to adopt policies creating
investment accounts and deposit public moneys from operating funds not
needed for immediate expenditure into those investment accounts.

Gives the State Investment Board (SIB) full power to invest or
reinvest investment accounts created by the UW or WSU board of regents
in a manner consistent with SIB investment and management standards.

Specifies that income from SIB investments of investment accounts
must be for the exclusive benefit of and credited to the state
university less SIB expense account allocations.

Specifies that investment accounts are investment funds within the meaning of Article XXIX, section 1 of the state Constitution, for determining eligible investment and deposits.

Requires the SIB to report annually on investment activities for investment accounts to the Ways & Means committees of the House and the Senate.

Provides for a contingent effective date. (The act takes effect if the proposed constitutional amendment is approved and ratified by the voters.)

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