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## Higher Education Committee

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### HB 2434

**Brief Description:** Authorizing an increase in the total outstanding indebtedness of the higher education facilities authority.

**Sponsors:** Representatives Walsh, Seaquist, Ryu and Freeman; by request of Washington State Higher Education Facilities Authority.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>Increases the limit on total outstanding bonded indebtedness of the Washington Higher Education Facilities Authority from 1 billion dollars to 1.5 billion dollars.</li></ul>
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**Hearing Date:** 1/24/14

**Staff:** Madeleine Thompson (786-7304).

**Background:**

**The Washington Higher Education Facilities Authority.**

The Washington Higher Education Facilities Authority (Facilities Authority) was created in 1983 to minimize the capital costs of construction, financing, and use of higher education facilities at Washington's nonprofit, independent colleges.

The Facilities Authority issues tax-exempt, nonrecourse revenue bonds for the independent qualified higher education institutions. The institutions may use the bond proceeds for refinancing taxable or tax-exempt debt, remodeling, construction, purchase of equipment, or other approved purposes. Bonds may be issued by the Facilities Authority to refund other outstanding bonds, at or prior to the maturity of those bonds. The total outstanding bonded indebtedness of the Facilities Authority must not exceed one billion dollars.

The qualified nonprofit, independent higher education institutions are:

- Bastyr University,
- Cornish College of the Arts,

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

- Gonzaga University,
- Heritage University,
- Northwest Indian College,
- Pacific Lutheran University,
- Pacific Northwest University of Health Sciences,
- Saint Martin's University,
- Seattle Pacific University,
- Seattle University,
- University of Puget Sound,
- Walla Walla University,
- Whitman College, and
- Whitworth University.

**Summary of Bill:**

The limit on total outstanding bonded indebtedness of the Washington Higher Education Facilities Authority is increased from 1 billion dollars to 1.5 billion dollars.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.