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**HOUSE BILL 2055**

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**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** Representatives Steele, Leavitt, Simmons, Graham, Sutherland, and Eslick

Read first time 01/20/22. Referred to Committee on Capital Budget.

1 AN ACT Relating to capital budget matching grants to independent  
2 higher education institutions; and adding a new section to chapter  
3 28B.07 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.07  
6 RCW to read as follows:

7 (1) The department is authorized to administer a capital budget  
8 matching grants program for higher education institutions as provided  
9 in this section.

10 (2) Project eligibility. Grants pursuant to this section may only  
11 be awarded for major capital construction projects meeting both of  
12 the following criteria: (a) Projects must have estimated costs of not  
13 less than \$2,000,000; and (b) projects must construct or improve  
14 facilities that are primarily for instructional purposes.

15 (3) Eligible institutions. Only higher education institutions are  
16 eligible for a grant under this section.

17 (4) Administration. Subject to the availability of amounts  
18 appropriated for this specific purpose, the department shall develop  
19 a grant application process and assist higher education institutions  
20 in matters related to applying for grants under this section. The  
21 department may use up to three percent of amounts appropriated for

1 the grant program under this section for costs that result from  
2 administration of the program.

3 (5) Matching funds. For each grant awarded under this section,  
4 the department must require that the higher education institution  
5 that receives the grant provides matching nonstate funding equal to  
6 at least 100 percent of the grant award.

7 (6) Grant application evaluation process. The department shall  
8 consult with the state board for community and technical colleges,  
9 the Washington higher education facilities authority created under  
10 RCW 28B.07.030, and appropriate stakeholders to create a competitive  
11 grant application evaluation and ranking process pursuant to this  
12 section. This consultative process must create an application  
13 evaluation and ranking system that results in a single prioritized  
14 list of proposed grants from the pool of applications submitted by  
15 eligible institutions in each application cycle. The prioritization  
16 process developed under this section must give primary consideration  
17 to institutional programmatic needs and facility conditions.

18 (7)(a) Required grant list. Except as provided for under (b) of  
19 this subsection, the department must propose a list of prioritized  
20 grants pursuant to this section for higher education institutions  
21 meeting the eligibility requirements established in subsection (3) of  
22 this section to the governor by September 1st of even-numbered years.  
23 This list must include: (i) A description of the proposed project;  
24 (ii) the proposed construction grant amount; (iii) higher education  
25 institutions' share of project cost; and (iv) the estimated total  
26 project cost.

27 (b) The initial list of prioritized grants proposed under (a) of  
28 this subsection must be submitted to the governor in 2022, but is not  
29 required to be submitted by September 1st.

30 (c) The department and the governor may determine the level of  
31 funding in its omnibus capital appropriations act requests to support  
32 grants under this section, but its funding requests must follow the  
33 prioritized list created pursuant to subsection (6) of this section  
34 unless new information determines that a specific project is no  
35 longer viable as proposed.

36 (8) The department may not expend funding for a project in this  
37 section unless and until the nonstate share of that project's costs  
38 have been either expended or firmly committed, or both, in an amount  
39 sufficient to complete the project or a distinct phase of the project  
40 that is useable to the public for the purpose intended by the

1 legislature. This requirement does not apply to projects where a  
2 share of the appropriation is for design costs only.

3 (9) Prior to receiving funding, project recipients must  
4 demonstrate that the project site is under control for a minimum of  
5 10 years, either through ownership or a long-term lease. This  
6 requirement does not apply to appropriations for preconstruction  
7 activities or appropriations in which the sole purpose is to purchase  
8 real property that does not include a construction or renovation  
9 component.

10 (10) The department may require projects funded in this section  
11 to comply with Washington's high-performance public building  
12 standards as required by chapter 39.35D RCW.

13 (11) The department may provide project funds on a reimbursement  
14 basis only, and funding may not be advanced under any circumstances.

15 (12) In contracts for grants authorized under this section, the  
16 department must include provisions that require that capital  
17 improvements be held by the grantee for a specified period of time  
18 appropriate to the amount of the grant and that facilities be used  
19 for the express purpose of the grant. If the department finds the  
20 grantee to be out of compliance with provisions of the contract, the  
21 grantee shall repay to the state general fund the principal amount of  
22 the grant plus interest calculated at the rate of interest on state  
23 of Washington general obligation bonds issued most closely to the  
24 date of authorization of the grant.

25 (13) For purposes of this section, "department" means the  
26 department of commerce.

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