
HOUSE BILL 1256

State of Washington

68th Legislature

2023 Regular Session

By Representatives Steele, Simmons, Eslick, and Santos

Read first time 01/12/23. 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 or student
15 housing.

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

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

1 department may use up to four percent of amounts appropriated for the
2 grant program under this section for costs that result from
3 administration of the program.

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

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

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

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

33 (8) The department may not expend funding for a project in this
34 section unless and until the nonstate share of that project's costs
35 have been either expended or firmly committed, or both, in an amount
36 sufficient to complete the project or a distinct phase of the project
37 that is useable to the public for the purpose intended by the
38 legislature. This requirement does not apply to projects where a
39 share of the appropriation is for design costs only.

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

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

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

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

22 (13) For purposes of this section, "department" means the
23 department of commerce.

--- END ---