
SENATE BILL 5766

State of Washington 60th Legislature 2007 Regular Session

By Senators Fraser, Brandland, Marr, Shin, Schoesler, Delvin, Hatfield and Tom; by request of Washington State University

Read first time 01/31/2007. Referred to Committee on Ways & Means.

1 AN ACT Relating to investment of funds derived from the sale of
2 lands set apart for institutions of higher education; amending RCW
3 39.42.070, 39.42.090, 43.79.010, 43.79.060, 43.79.110, 43.79.130, and
4 43.79.160; and providing a contingent effective date.

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

6 **Sec. 1.** RCW 39.42.070 and 2003 1st sp.s. c 9 s 1 are each amended
7 to read as follows:

8 (1) On or after the effective date of this act, the treasurer shall
9 compute general state revenues for the three fiscal years immediately
10 preceding such date and shall determine the arithmetic mean thereof.
11 As soon as is practicable after the close of each fiscal year
12 thereafter, he or she shall do likewise. In determining the amount of
13 general state revenues, the treasurer shall include all state money
14 received in the treasury from each and every source whatsoever except:
15 (a) Fees and revenues derived from the ownership or operation of any
16 undertaking, facility or project; (b) moneys received as gifts, grants,
17 donations, aid or assistance or otherwise from the United States or any
18 department, bureau or corporation thereof, or any person, firm or
19 corporation, public or private, when the terms and conditions of such

1 gift, grant, donation, aid or assistance require the application and
2 disbursement of such moneys otherwise than for the general purposes of
3 the state of Washington; (c) moneys to be paid into and received from
4 retirement system funds, and performance bonds and deposits; (d) moneys
5 to be paid into and received from trust funds including but not limited
6 to moneys received from taxes levied for specific purposes and the
7 several permanent (~~and irreducible~~) funds of the state and the moneys
8 derived therefrom but excluding bond redemption funds; (e) proceeds
9 received from the sale of bonds or other evidences of indebtedness.
10 Upon computing general state revenues, the treasurer shall make and
11 file in the office of the secretary of state, a certificate containing
12 the results of such computations. Copies of said certificate shall be
13 sent to each elected official of the state and each member of the
14 legislature. The treasurer shall, at the same time, advise each
15 elected official and each member of the legislature of the current
16 available debt capacity of the state, and may make estimated
17 projections for one or more years concerning debt capacity.

18 (2) For purposes of this chapter, general state revenues shall also
19 include revenues that are deposited in the general fund under RCW
20 82.45.180(2), lottery revenues as provided in RCW 67.70.240(3),
21 revenues paid into the general fund under RCW 84.52.067, and revenues
22 deposited into the student achievement fund and distributed to school
23 districts as provided in RCW 84.52.068.

24 **Sec. 2.** RCW 39.42.090 and 1985 c 57 s 21 are each amended to read
25 as follows:

26 The state finance committee may issue certificates of indebtedness
27 in such sum or sums that may be necessary to meet temporary
28 deficiencies of the treasury. Such certificates may be issued only to
29 provide for the appropriations already made by the legislature and such
30 certificates must be retired and the debt discharged other than by
31 refunding within twelve months after the date of issuance.

32 For the purposes of this section, the state treasury shall include
33 all statutorily established funds and accounts except for any of the
34 permanent (~~irreducible~~) funds of the state treasury.

35 **Sec. 3.** RCW 43.79.010 and 1965 c 8 s 43.79.010 are each amended to
36 read as follows:

1 All moneys paid into the state treasury, except moneys received
2 from taxes levied for specific purposes, and the several permanent
3 (~~and irreducible~~) funds of the state and the moneys derived
4 therefrom, shall be paid into the general fund of the state.

5 **Sec. 4.** RCW 43.79.060 and 1965 c 8 s 43.79.060 are each amended to
6 read as follows:

7 There shall be in the state treasury a permanent (~~and~~
8 ~~irreducible~~) fund known as the "state university permanent fund," into
9 which shall be paid all moneys derived from the sale of lands granted,
10 held, or devoted to state university purposes.

11 **Sec. 5.** RCW 43.79.110 and 1991 sp.s. c 13 s 96 are each amended to
12 read as follows:

13 There shall be in the state treasury a permanent (~~and~~
14 ~~irreducible~~) fund known as the "scientific permanent fund," into which
15 shall be paid all moneys derived from the sale of lands set apart by
16 the enabling act or otherwise for a scientific school. The income
17 derived from investments (~~pursuant to RCW 43.84.080~~) shall be
18 credited to the Washington State University building account less the
19 allocation to the state treasurer's service fund pursuant to RCW
20 43.08.190.

21 **Sec. 6.** RCW 43.79.130 and 1991 sp.s. c 13 s 94 are each amended to
22 read as follows:

23 There shall be in the state treasury a permanent (~~and~~
24 ~~irreducible~~) fund known as the "agricultural permanent fund," into
25 which shall be paid all moneys derived from the sale of lands set apart
26 by the enabling act or otherwise for an agricultural college. The
27 income derived from investments (~~pursuant to RCW 43.84.080~~) shall be
28 credited to the Washington State University building account less the
29 allocation to the state treasurer's service (~~account [fund]~~) fund
30 pursuant to RCW 43.08.190.

31 **Sec. 7.** RCW 43.79.160 and 1965 c 8 s 43.79.160 are each amended to
32 read as follows:

33 There shall be in the state treasury a permanent (~~and~~

1 irreducible)) fund known as the "normal school permanent fund," into
2 which shall be paid all moneys derived from the sale of lands set apart
3 by the enabling act or otherwise for state normal schools.

4 NEW SECTION. **Sec. 8.** This act takes effect if the proposed
5 amendment to Article XVI of the state Constitution regarding investment
6 of certain state moneys is validly submitted to and is approved and
7 ratified by the voters at the next general election. If the proposed
8 amendment is not approved and ratified, this act is void in its
9 entirety.

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