

pursuant to such statutes. The obligation of the board of regents of Washington State University to make the transfers provided for in section 7 of this act shall be subject and subordinate to the lien and charge of such revenue bonds, and any revenue bonds hereafter issued, on such general tuition fees and/or other revenues pledged to secure such bonds, and on the moneys in the Washington State University building account and the Washington State University bond retirement fund.

NEW SECTION. Sec. 11. Sections 1 through 10 of this act shall constitute a new chapter in Title 28B RCW.

NEW SECTION. Sec. 12. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 13. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate June 7, 1977.

Passed the House June 21, 1977.

Approved by the Governor July 1, 1977.

Filed in Office of Secretary of State July 1, 1977.

CHAPTER 345

[Substitute Senate Bill No. 2274]

INSTITUTIONS OF HIGHER EDUCATION—CAPITAL PROJECTS FINANCING

AN ACT Relating to institutions of higher education; providing for the acquisition, construction, remodeling, furnishing and equipping of certain state buildings and facilities for said institutions of higher education and the financing thereof by the issuance of bonds, including bond anticipation notes; adding a new chapter to Title 28B RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. For the purpose of providing needed capital improvements consisting of the acquisition, construction, remodeling, furnishing and equipping of state buildings and facilities for the institutions of higher education, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of nine million five hundred thousand dollars, or so much thereof as may be required to finance such projects, and all costs incidental thereto. No bonds authorized by this act shall be offered for sale without prior legislative appropriation, and these bonds shall be paid and discharged within thirty years of the date of issuance in accordance with Article VIII, section 1 of the state Constitution.

NEW SECTION. Sec. 2. When the state finance committee has determined to issue such general obligation bonds or a portion thereof as authorized in section 1 of this act, it may, pending the issuance thereof, issue in the name of the state temporary notes in anticipation of the issuance of such bonds, which notes shall be designated as "bond anticipation notes". Such portion of the proceeds of the sale of such bonds as may be required for the payment of principal of and redemption premium, if any, and interest on such notes shall be applied thereto when such bonds are issued.

NEW SECTION. Sec. 3. The state finance committee is authorized to prescribe the form, terms, conditions and covenants of the bonds and/or the bond anticipation notes provided for in sections 1 and 2 of this act, the time or times of sale of all or any portion of them, and the conditions and manner of their sale and issuance.

Each such bond and bond anticipation note shall pledge the full faith and credit of the state of Washington and shall contain an unconditional promise to pay the principal thereof and interest thereon when due.

NEW SECTION. Sec. 4. Except for that portion of the proceeds required to pay bond anticipation notes pursuant to section 2 of this act, the proceeds from the sale of the bonds and/or bond anticipation notes authorized in this chapter, together with all grants, donations, transferred funds, and all other moneys which the state finance committee may direct the state treasurer to deposit therein, shall be deposited in the state higher education construction account of the general fund in the state treasury. All such proceeds shall be used exclusively for the purposes specified in this chapter and for the payment of the expenses incurred in connection with the sale and issuance of such bonds and bond anticipation notes.

NEW SECTION. Sec. 5. The state higher education bond retirement fund of 1977 is hereby created in the state treasury for the purpose of the payment of principal of and interest on the bonds authorized to be issued pursuant to this chapter or, if the legislature so determines, for any bonds and notes hereafter authorized and issued for the institutions of higher education.

The state finance committee, on or before June 30th of each year, shall certify to the state treasurer the amount required in the next succeeding twelve months for the payment of the principal of and the interest coming due on such bonds. Not less than thirty days prior to the date on which any such interest or principal and interest payment is due, the state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the state higher education bond retirement fund of 1977 an amount equal to the amount certified by the state finance committee to be due on such payment date.

NEW SECTION. Sec. 6. The bonds authorized in sections 1 through 6 of this act shall constitute a legal investment for all state funds or for funds under state control and all funds of municipal corporations.

NEW SECTION. Sec. 7. Sections 1 through 6 of this act shall constitute a new chapter in Title 28B RCW.

NEW SECTION. Sec. 8. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 9. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate June 21, 1977.

Passed the House June 21, 1977.

Approved by the Governor July 1, 1977.

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