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SENATE BILL 5287

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State of Washington

62nd Legislature

2011 Regular Session

By Senators Hobbs, Shin, and Haugen

Read first time 01/20/11. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to creating an independent four-year polytechnical  
2 college and authorizing an investment district to provide financing for  
3 the college; adding a new chapter to Title 36 RCW; adding a new chapter  
4 to Title 28B RCW; and providing a contingent expiration date.

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

6 NEW SECTION. **Sec. 1.** (1) The governing board of a higher  
7 education investment district created under section 2 of this act may  
8 submit an authorizing proposition to the voters of the district and, if  
9 the proposition is approved by a majority of persons voting, the  
10 district may fix and impose a sales and use tax in accordance with the  
11 terms of this chapter.

12 The tax authorized in this section is in addition to any other  
13 taxes authorized by law and shall be collected from those persons who  
14 are taxable by the state under chapters 82.08 and 82.12 RCW upon the  
15 occurrence of any taxable event within the higher education investment  
16 district. The rate of the tax may not exceed two-tenths of one percent  
17 of the selling price in the case of a sales tax, or value of the  
18 article used, in the case of a use tax.

1 Moneys received from any tax imposed under this section must be  
2 used for the purpose of providing funds for the costs associated with  
3 the financing, design, acquisition, construction, equipping,  
4 maintaining, and the operations for an institution of higher education  
5 as defined in section 6 of this act. Priority shall be given to paying  
6 the capital costs associated with establishing the institution.

7 (2) For so long as the tax authorized in this section is imposed,  
8 five percent of the newly enrolled students who reside within the area  
9 served by the higher education investment district shall receive  
10 scholarships equal to tuition and fees for two academic years at the  
11 college established in section 7 of this act. The board of trustees  
12 established in section 8 of this act shall establish criteria for  
13 awarding the scholarships.

14 NEW SECTION. **Sec. 2.** (1) The county legislative authority of a  
15 county with a population greater than six hundred thousand persons but  
16 less than seven hundred fifty thousand persons may create a higher  
17 education investment district that is coextensive with the boundaries  
18 of the county.

19 (2) The county legislative authority that meets the criteria of  
20 subsection (1) of this section may enter into an agreement under  
21 chapter 39.34 RCW with any contiguous counties for the creation and  
22 joint operation of a higher education investment district.

23 (3) A higher education investment district is created upon adoption  
24 of a resolution providing for the creation of such a district by the  
25 county legislative authority or county legislative authorities in which  
26 the proposed district is located.

27 (4) A higher education investment district is a municipal  
28 corporation, an independent taxing authority within the meaning of  
29 Article VII, section 1 of the state Constitution, and a taxing district  
30 within the meaning of Article VII, section 2 of the state Constitution.

31 (5) No taxes authorized under section 1 of this act may be assessed  
32 or levied unless a majority of the county legislative authority or  
33 county legislative authorities have approved such tax.

34 (6) A higher education investment district constitutes a body  
35 corporate and possesses all the usual powers of a corporation for  
36 public purposes as well as all other powers that may now or hereafter

1 be specifically conferred by statute including, but not limited to, the  
2 authority to: Hire employees, staff, and services; enter into  
3 contracts; and sue and be sued.

4 (7) A county legislative authority or a city council may transfer  
5 property to the higher education investment district created under this  
6 chapter. No property that is encumbered with debt or that is in need  
7 of major capital renovation may be transferred to the district without  
8 the agreement of the district and revenues adequate to retire the  
9 existing indebtedness.

10 (8) A county legislative authority may solicit and receive gifts,  
11 grants, and bequests, and enter into contribution agreements with  
12 private entities and public entities to receive moneys in consideration  
13 of the authority's promise to leverage those moneys with the revenue  
14 generated by the tax authorized in section 1 of this act and  
15 contributions from other public entities and private entities. Moneys  
16 received from public entities under this subsection shall be used  
17 primarily for the operations of the institution of higher education.  
18 The goal is for the state to have assumed all of the operational costs  
19 for the institution by the time the higher education district is  
20 dissolved.

21 (9) The higher education investment district is dissolved when all  
22 debt incurred for the financing, design, acquisition, construction, and  
23 equipping of the capital facilities has been paid in full.

24 NEW SECTION. **Sec. 3.** (1) The governing board of the higher  
25 education investment district shall consist of nine members selected by  
26 the county.

27 (2) The members of the governing board shall be appointed to serve  
28 four-year terms. Of the initial members, two must be appointed for a  
29 one-year term, three must be appointed to a three-year term, and the  
30 remainder must be appointed for four-year terms.

31 NEW SECTION. **Sec. 4.** For so long as the tax authorized in section  
32 1 of this act is imposed, at least fifty percent of the enrollment of  
33 the college established in section 7 of this act shall be offered to  
34 students who reside within the area served by the higher education  
35 investment district.

1        NEW SECTION.     **Sec. 5.**     When the higher education investment  
2 district is dissolved under section 2 of this act, the capital assets  
3 of the district shall be leased or disposed of to the state by means of  
4 private negotiation upon such terms as may be agreed upon and for such  
5 consideration as may be deemed by the county legislative authority or  
6 county legislative authorities to be adequate.

7        NEW SECTION.     **Sec. 6.**     For the purposes of this chapter,  
8 "institution of higher education" means a facility housing a four-year  
9 institution of higher education, as defined in RCW 28B.10.016, with a  
10 polytechnical focus.

11       NEW SECTION.     **Sec. 7.**     The polytechnical college in Washington  
12 shall be called Snohomish Polytechnical College.

13       NEW SECTION.     **Sec. 8.**     (1) The governance of Snohomish  
14 Polytechnical College shall be vested in a board of trustees initially  
15 consisting of the nine members of the governing board of the higher  
16 education investment district established in section 3 of this act,  
17 one-half of whom shall be residents of the higher education investment  
18 district established under section 2 of this act. After the higher  
19 education investment district established in section 2 of this act is  
20 dissolved, members of the board of trustees shall be appointed by the  
21 governor with the consent of the senate and shall hold their offices  
22 for a term of six years from the first day of October and until their  
23 successors are appointed and qualified.

24       (2) Five members of the board constitute a quorum for the  
25 transaction of business. In case of a vacancy, or when an appointment  
26 is made after the date of expiration of the term, the governor shall  
27 fill the vacancy for the remainder of the term of the trustee whose  
28 office has become vacant or expired.

29       (3) No more than the terms of two members may expire simultaneously  
30 on the last day of September in any one year.

31       NEW SECTION.     **Sec. 9.**     The board of trustees of Snohomish  
32 Polytechnical College shall elect one of its members chair, and it  
33 shall elect a secretary who may or may not be a member of the board.  
34 The board may adopt bylaws for its government and for the government of

1 the school, which bylaws shall not be inconsistent with law, and to  
2 prescribe the duties of its officers, committees, and employees. A  
3 majority of the board constitutes a quorum for the transaction of all  
4 business.

5 NEW SECTION. **Sec. 10.** The board of trustees of Snohomish  
6 Polytechnical College shall hold at least two regular meetings each  
7 year, at such times as may be provided by the board. Special meetings  
8 shall be held as may be deemed necessary, whenever called by the chair  
9 or by a majority of the board. Public notice of all meetings shall be  
10 given in accordance with chapter 42.32 RCW.

11 NEW SECTION. **Sec. 11.** In addition to any other powers and duties  
12 prescribed by law, the board of trustees of Snohomish Polytechnical  
13 College:

14 (1) Shall have full control of the college and its property of  
15 various kinds, except as otherwise provided by law;

16 (2) Shall employ the president of the college, the president's  
17 assistants, members of the faculty, and other employees of the  
18 institution, who, except as otherwise provided by law, shall hold their  
19 positions until discharged therefrom by the board for good and lawful  
20 reason;

21 (3) With the assistance of the faculty of the college, shall  
22 prescribe the course of study in its various schools and departments  
23 and publish such catalogues as the board deems necessary;

24 (4) Shall establish such divisions, schools, or departments  
25 necessary to carry out the purposes of the college and not otherwise  
26 proscribed by law;

27 (5) Except as otherwise provided by law, may establish and erect  
28 such new facilities as determined by the board to be necessary for the  
29 college;

30 (6) May acquire real and other property as provided in RCW  
31 28B.10.020, as now or hereafter amended;

32 (7) Except as otherwise provided by law, may purchase all supplies  
33 and purchase or lease equipment and other personal property needed for  
34 the operation or maintenance of the college;

35 (8) May establish, lease, operate, equip, and maintain

1 self-supporting facilities in the manner provided in RCW 28B.10.300  
2 through 28B.10.330;

3 (9) Except as otherwise provided by law, may enter into such  
4 contracts as the trustees deem essential to college purposes;

5 (10) May receive such gifts, grants, conveyances, devises, and  
6 bequests of real or personal property from whatsoever source, as may be  
7 made from time to time, in trust or otherwise, whenever the terms and  
8 conditions thereof will aid in carrying out the college programs; sell,  
9 lease or exchange, invest, or expend the same or the proceeds, rents,  
10 profits, and income thereof except as limited by the terms and  
11 conditions thereof; and adopt rules to govern the receipt and  
12 expenditure of the proceeds, rents, profits, and income thereof;

13 (11) Subject to the approval of the higher education coordinating  
14 board pursuant to RCW 28B.76.230, may offer new degree programs, offer  
15 off-campus programs, participate in consortia or centers, contract for  
16 off-campus educational programs, and purchase or lease major off-campus  
17 facilities; and

18 (12) May adopt such rules, and perform all other acts not forbidden  
19 by law, as the board of trustees may in its discretion deem necessary  
20 or appropriate to the administration of the college.

21 NEW SECTION. **Sec. 12.** The board of trustees shall appoint a  
22 treasurer who shall be the financial officer of the board and who shall  
23 hold office during the pleasure of the board. Each treasurer shall  
24 render a true and faithful account of all moneys received and paid out  
25 by him or her, and shall give bond for the faithful performance of the  
26 duties of his or her office in such amount as the trustees require:  
27 PROVIDED, That the college shall pay the fees for any such bonds.

28 NEW SECTION. **Sec. 13.** The degree of bachelor of arts or the  
29 degree of bachelor of science may be granted to any student who has  
30 completed a four-year course of study or the equivalent thereof in  
31 Snohomish Polytechnical College.

32 NEW SECTION. **Sec. 14.** Every diploma issued by Snohomish  
33 Polytechnical College shall be signed by the chair of the board of  
34 trustees and by the president of the college, and sealed with the  
35 appropriate seal.

1        NEW SECTION.    **Sec. 15.**    Sections 1 through 6 of this act constitute  
2 a new chapter in Title 36 RCW.

3        NEW SECTION.    **Sec. 16.**    Sections 7 through 14 of this act  
4 constitute a new chapter Title 28B RCW.

5        NEW SECTION.    **Sec. 17.**    This act expires October 1, 2012, if the  
6 higher education investment district has not been created and a site  
7 has not been chosen for the college created in section 7 of this act.  
8 The county legislative authority under section 2 of this act shall  
9 notify appropriate committees of the legislature and the higher  
10 education coordinating board if the higher education investment  
11 district is created and a site is chosen for the college created in  
12 section 7 of this act.

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