CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6493

Chapter 292, Laws of 2018

65th Legislature 2018 Regular Session

INTERCOLLEGIATE ATHLETIC PROGRAMS--BUDGETING

EFFECTIVE DATE: June 7, 2018

Passed by the Senate March 6, 2018 CERTIFICATE Yeas 49 Nays 0 I, Brad Hendrickson, Secretary of Senate of the State of CYRUS HABIB Washington, do hereby certify that the attached is **SUBSTITUTE SENATE** President of the Senate BILL 6493 as passed by Senate and the House of Representatives on the dates hereon set forth. Passed by the House March 2, 2018 Yeas 95 Nays 3 BRAD HENDRICKSON Secretary FRANK CHOPP Speaker of the House of Representatives Approved March 27, 2018 3:07 PM FILED March 29, 2018 Secretary of State

State of Washington

JAY INSLEE

Governor of the State of Washington

SUBSTITUTE SENATE BILL 6493

AS AMENDED BY THE HOUSE

Passed Legislature - 2018 Regular Session

State of Washington 65th Legislature 2018 Regular Session

By Senate Higher Education & Workforce Development (originally sponsored by Senators Billig, Palumbo, Ranker, Carlyle, Hasegawa, and Kuderer)

READ FIRST TIME 02/01/18.

- 1 AN ACT Relating to increased transparency and accountability for
- 2 intercollegiate athletic programs at public colleges and
- 3 universities; and adding a new section to chapter 28B.15 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28B.15 6 RCW to read as follows:
- 7 (1) The board of trustees or regents of each of the state's
- 8 colleges and universities under RCW 28B.15.005 must specifically
- 9 approve in an open public meeting, the annual budget for its programs
- 10 for intercollegiate athletic competition in advance of any
- 11 expenditure for that fiscal year.
- 12 (2) If a college or university's programs experience an operating
- 13 deficit at the end of any fiscal year, the board of trustees or
- 14 regents must:
- 15 (a) Approve a plan for how the programs will reduce operating
- 16 deficits in future fiscal years;
- 17 (b) Conspicuously post to the college or university's web site
- 18 the financial statements of the programs for the three prior fiscal
- 19 years and the plan in (a) of this subsection. Any public records
- 20 request for a copy of the financial statements or plan must be at no
- 21 cost to the requester;

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1 (c) Approve in advance any transfer exceeding two hundred fifty thousand dollars; and

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- (d) Except as provided in subsection (3) of this section, approve in advance any expenditure over two hundred fifty thousand dollars that was not included in the approved annual budget, in an open public meeting.
- (3) Approval of an expenditure by the board of trustees or regents may occur at the next regularly scheduled board meeting after the expenditure if the expenditure is:
- 10 (a) Time sensitive and the net fiscal impact of the expenditure 11 results in a direct revenue gain to the program; or
 - (b) Required to meet an immediate public safety need.
 - (4) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this section:
 - (a) "Expenditure" means any discrete purchase, payment, contract amendment, or expense, unless that expenditure is required to meet an immediate public safety need.
 - (b) "Operating costs" means all direct and indirect costs to operate the programs including the value of any costs that are typically charged to departments, but have been waived by the college or university. Waived costs include, but are not limited to the value of tuition waivers for student athletes and any internal or central service costs not charged to the programs.
 - (c) "Operating deficit" means the amount by which the aggregate operating costs of the programs exceeds the aggregated receipts and revenue directly generated by the programs in the fiscal year, plus any transfers of reserves that were originally generated directly by the athletic department account.
- 29 (d) "Programs for intercollegiate athletic competition" or 30 "programs" means those programs established under RCW 28B.10.703.
- 31 (e) "Transfers" means any transfer of moneys to an account used 32 by programs for intercollegiate athletic competition from any account 33 that holds moneys not directly generated by the programs.

Passed by the Senate March 6, 2018. Passed by the House March 2, 2018. Approved by the Governor March 27, 2018. Filed in Office of Secretary of State March 29, 2018.