

---

HOUSE BILL 2326

---

State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Clibborn and Williams

Read first time 03/27/09. Referred to Committee on Transportation.

1            AN ACT Relating to authorizing bonds for the financing of eligible  
2 toll facilities; adding new sections to chapter 47.10 RCW; providing an  
3 effective date; and declaring an emergency.

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

5            NEW SECTION.    **Sec. 1.** In order to provide funds necessary for the  
6 location, design, right-of-way, and construction of selected projects  
7 or improvements on the state route number 520 corridor, there shall be  
8 issued and sold upon the request of the department a total of one  
9 billion two hundred million dollars of general obligation bonds of the  
10 state of Washington.

11           NEW SECTION.    **Sec. 2.** Upon the request of the department, as  
12 appropriate, the state finance committee shall supervise and provide  
13 for the issuance, sale, and retirement of the bonds in this act in  
14 accordance with chapter 39.42 RCW. Bonds authorized under this act  
15 shall be sold in the manner, at time or times, in amounts, and at the  
16 price as the state finance committee shall determine. No bonds may be  
17 offered for sale without prior legislative appropriation of the net  
18 proceeds of the sale of the bonds. The state finance committee shall

1 consider the issuance of short-term obligations in lieu of long-term  
2 obligations for the purposes of more favorable interest rates, lower  
3 total interest costs, and increased marketability and for the purpose  
4 of retiring the bonds during the life of the project for which they  
5 were issued.

6 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds  
7 authorized under section 1 of this act shall be deposited in the state  
8 route number 520 corridor account created in the motor vehicle fund  
9 under section 4, chapter . . . (House Bill No. 2211), Laws of 2009.  
10 The proceeds must be available only for the purposes enumerated in  
11 section 1 of this act, for the payment of bond anticipation notes, if  
12 any, and for the payment of bond issuance costs, including the costs of  
13 underwriting.

14 NEW SECTION. **Sec. 4.** Bonds issued under the authority of sections  
15 1 through 6 of this act shall distinctly state that they are a general  
16 obligation of the state of Washington, shall pledge the full faith and  
17 credit of the state to the payment of the principal thereof and the  
18 interest thereon, and shall contain an unconditional promise to pay  
19 such principal and interest as the same shall become due. The  
20 principal and interest on the bonds shall be first payable in the  
21 manner provided in sections 1 through 6 of this act from the proceeds  
22 of toll charges imposed on the state route number 520 corridor as  
23 authorized in section 2, chapter . . . (House Bill No. 2211), Laws of  
24 2009. Proceeds of these toll charges and the state excise taxes on  
25 motor vehicle and special fuels imposed by chapters 82.36 and 82.38 RCW  
26 are hereby pledged to the payment of any bonds and the interest thereon  
27 issued under the authority of sections 1 through 6 of this act, and the  
28 legislature agrees to continue to impose these toll charges on the  
29 state route number 520 corridor and excise taxes on motor vehicle and  
30 special fuels in amounts sufficient to pay, when due, the principal and  
31 interest on all bonds issued under the authority of sections 1 through  
32 6 of this act.

33 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds  
34 issued for the purposes of sections 1 through 6 of this act shall be  
35 payable from the highway bond retirement fund. The state finance

1 committee may provide that a special account be created in the fund to  
2 facilitate payment of the principal and interest. The state finance  
3 committee shall, on or before June 30th of each year, certify to the  
4 state treasurer the amount required for principal and interest on the  
5 bonds in accordance with the bond proceedings. The state treasurer  
6 shall withdraw revenues from the state route number 520 corridor  
7 account created in the motor vehicle fund under section 4, chapter . .  
8 . (House Bill No. 2211), Laws of 2009 and deposit in the highway bond  
9 retirement fund, or a special account in the fund, such amounts, and at  
10 such times, as are required by the bond proceedings.

11 Any funds required for bond retirement or interest on the bonds  
12 authorized under sections 1 through 6 of this act shall be taken from  
13 that portion of the motor vehicle fund that results from the imposition  
14 of toll charges on the state route number 520 corridor.

15 Funds required shall never constitute a charge against any other  
16 allocations of motor vehicle fuel and special fuel tax revenues to the  
17 state, counties, cities, and towns unless the amount arising from toll  
18 charges imposed on the state route number 520 corridor proves  
19 insufficient to meet the requirements for bond retirement or interest  
20 on any such bonds. Any payments for bond retirement or interest on the  
21 bonds taken from other revenues from the motor vehicle fuel or special  
22 fuel taxes that are distributable to the state, counties, cities, and  
23 towns shall be repaid from the first revenues from toll charges imposed  
24 on the state route number 520 corridor not required for bond retirement  
25 or interest on the bonds.

26 NEW SECTION. **Sec. 6.** Bonds issued under the authority of sections  
27 1 through 5 of this act and this section and any other general  
28 obligation bonds of the state of Washington that have been or that may  
29 be authorized and that pledge motor vehicle and special fuels excise  
30 taxes for the payment of principal and interest thereon shall be an  
31 equal charge against the revenues from such motor vehicle and special  
32 fuels excise taxes.

33 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act are each  
34 added to chapter 47.10 RCW.

1        NEW SECTION.    **Sec. 8.**    This act is necessary for the immediate  
2    preservation of the public peace, health, or safety, or support of the  
3    state government and its existing public institutions, and takes effect  
4    July 1, 2009.

--- END ---