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**ENGROSSED SUBSTITUTE HOUSE BILL 1430**

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**State of Washington                      52nd Legislature                      1991 Regular Session**

**By** House Committee on Capital Facilities & Financing (originally sponsored by Representative H. Sommers; by request of Governor Gardner).

Read first time April 17, 1991.

1            AN ACT Relating to state general obligation and revenue bonds and  
2 related accounts; amending RCW 28B.14D.900, 43.01.090, and 46.08.172;  
3 adding a new chapter to Title 43 RCW; creating a new section; and  
4 declaring an emergency.

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

6            NEW SECTION.    **Sec. 1.**            The state finance committee is  
7 authorized to issue general obligation bonds of the state of Washington  
8 in the sum of one billion eighty-six million dollars, or so much  
9 thereof as may be required, to finance the projects described and  
10 authorized by the legislature in the capital and operating  
11 appropriations acts for the 1991-1993 fiscal biennium and subsequent  
12 fiscal biennia, and all costs incidental thereto.

13            Bonds authorized in this section shall be sold in such manner, at  
14 such time or times, in such amounts, and at such price as the state  
15 finance committee shall determine. No such bonds may be offered for

1 sale without prior legislative appropriation of the net proceeds of the  
2 sale of the bonds. The state finance committee may obtain insurance,  
3 letters of credit, or other credit enhancements and may authorize the  
4 execution and delivery of agreements, promissory notes, and other  
5 obligations for the purpose of insuring the payment or enhancing the  
6 marketability of bonds authorized in this section. Promissory notes or  
7 other obligations issued pursuant to this section shall not constitute  
8 a debt or the contracting of indebtedness under any constitutional or  
9 statutory indebtedness limitation if their payment is conditioned upon  
10 the failure of the state to pay the principal of or interest on the  
11 bonds with respect to which the same relate.

12 The state finance committee shall consider the issuance of short-  
13 term obligations in lieu of long-term obligations for the purposes of  
14 more favorable interest rates, lower total interest costs, and  
15 increased marketability and for the purpose of retiring the bonds  
16 during the life of the project for which they were issued.

17 NEW SECTION. **Sec. 2.** Bonds issued under section 1 of this act  
18 are subject to the following conditions and limitations:

19 General obligation bonds of the state of Washington in the sum of  
20 one billion eighty-six million dollars, or so much thereof as may be  
21 required, shall be issued for the purposes described and authorized by  
22 the legislature in the capital and operating appropriations acts for  
23 the 1991-93 fiscal biennium and subsequent fiscal biennia, and to  
24 provide for the administrative cost of such projects, including costs  
25 of bond issuance and retirement, salaries and related costs of  
26 officials and employees of the state, costs of insurance or credit  
27 enhancement agreements, and other expenses incidental to the  
28 administration of capital projects. Subject to such changes as may be  
29 required in the appropriations acts, the proceeds from the sale of the

1 bonds issued for the purposes of this subsection shall be deposited in  
2 the state building construction account created by RCW 43.83.020 and  
3 transferred as follows:

4 (1) Eight hundred thirty-five thousand dollars to the state higher  
5 education construction account created by RCW 28B.10.851;

6 (2) One billion thirty-three million fifty thousand dollars to the  
7 state building construction account created by RCW 43.83.020;

8 (3) Seventeen million five hundred thousand dollars to the energy  
9 efficiency construction account created by section ..., chapter ...,  
10 Laws of 1991 (Engrossed Substitute House Bill No. 1427); and

11 (4) Three million three hundred thousand dollars to the energy  
12 efficiency services account created by section ..., chapter ..., Laws  
13 of 1991 (Engrossed Substitute House Bill No. 1427).

14 These proceeds shall be used exclusively for the purposes specified  
15 in this subsection, and for the payment of expenses incurred in the  
16 issuance and sale of the bonds issued for the purposes of this section,  
17 and shall be administered by the office of financial management,  
18 subject to legislative appropriation.

19 NEW SECTION. **Sec. 3.** Both principal of and interest on the  
20 bonds issued for the purposes specified in section 2 (1) through (4) of  
21 this act shall be payable from the state general obligation bond  
22 retirement fund. The state finance committee may provide that a  
23 special account be created in such fund to facilitate payment of such  
24 principal and interest.

25 The state finance committee shall, on or before June 30th of each  
26 year, certify to the state treasurer the amount required to provide for  
27 the payment of principal and interest on such bonds during the ensuing  
28 fiscal year in accordance with the provisions of the bond proceedings.  
29 The state treasurer shall withdraw from any general state revenues

1 received in the state treasury and deposit in the state general  
2 obligation bond retirement fund, or a special account in such fund,  
3 such amounts and at such times as are required by the bond proceedings.

4 NEW SECTION. **Sec. 4.** For bonds issued for the purposes of  
5 section 2 (3) and (4) of this act, on each date on which any interest  
6 or principal and interest payment is due, the state treasurer shall  
7 transfer the amount computed in section 3 of this act from energy  
8 efficiency construction account created in section ..., chapter ...,  
9 Laws of 1991 (Engrossed Substitute House Bill No. 1427) to the  
10 general fund of the state treasury.

11 NEW SECTION. **Sec. 5.** In addition to any other charges  
12 authorized by law and to assist in the reimbursement of principal and  
13 interest payments on bonds issued for the purposes of section 2 (3) and  
14 (4) of this act, the director of the energy office shall cause to be  
15 accumulated in the energy efficiency construction account, from project  
16 revenues, loan repayments, and other moneys legally available for such  
17 purposes, amounts adequate to make payments of principal of and  
18 interest coming due on general obligation bonds issued pursuant to this  
19 chapter. As needed during each fiscal year, the director shall cause  
20 amounts so accumulated to be deposited into the general fund of the  
21 state treasury. In the event that the director is unable to accumulate  
22 and transfer the full amount necessary for such payments of principal  
23 of and interest coming due on bonds, any shortfall shall be credited to  
24 an account receivable from the energy office in the state treasury.

25 NEW SECTION. **Sec. 6.** Bonds issued under section 1 of this act  
26 shall state that they are a general obligation of the state of  
27 Washington, shall pledge the full faith and credit of the state to the

1 payment of the principal thereof and the interest thereon, and shall  
2 contain an unconditional promise to pay the principal and interest as  
3 the same shall become due.

4 The owner and holder of each of the bonds or the trustee for the  
5 owner and holder of any of the bonds may by mandamus or other  
6 appropriate proceeding require the transfer and payment of funds as  
7 directed in this section.

8 NEW SECTION. **Sec. 7.** The legislature may provide additional  
9 means for raising moneys for the payment of the principal of and  
10 interest on the bonds authorized in section 1 of this act, and sections  
11 3 and 4 of this act shall not be deemed to provide an exclusive method  
12 for the payment.

13 NEW SECTION. **Sec. 8.** The bonds authorized in section 1 of  
14 this act shall be a legal investment for all state funds or funds under  
15 state control and for all funds of any other public body.

16 **Sec. 9.** RCW 28B.14D.900 and 1985 c 390 s 9 are each amended to  
17 read as follows:

18 No provision of this chapter or chapter 43.99 RCW, or of RCW  
19 28B.20.750 through 28B.20.758 shall be deemed to repeal, override, or  
20 limit any provision of RCW 28B.10.300 through 28B.10.335, 28B.15.210,  
21 28B.15.310, ((28B.15.401,)) 28B.20.700 through 28B.20.745, 28B.30.700  
22 through 28B.30.780, or 28B.35.700 through 28B.35.790, ((or 28B.40.700  
23 through 28B.40.790,)) nor any provision or covenant of the proceedings  
24 of the board of regents or board of trustees of any state institution  
25 of higher education heretofore or hereafter taken in the issuance of  
26 its revenue bonds secured by a pledge of its building fees and/or other  
27 revenues mentioned within such statutes. The obligation of ((the))

1 such boards to make the transfers provided for in RCW 28B.14D.070 (~~and~~  
2 ~~in~~ RCW), 28B.14C.080(2), 28B.14C.090(2), 28B.14C.100(2),  
3 28B.14C.110(2), 28B.14C.120(2), (~~and~~) 28B.14C.130(2), 28B.14G.060,  
4 28B.20.757, 43.99G.070, and 43.99H.060 (1) and (4), and in any similar  
5 law heretofore or hereafter enacted shall be subject and subordinate to  
6 the lien and charge of any revenue bonds heretofore or hereafter  
7 issued(~~(7)~~) by such boards on the building fees and/or other revenues  
8 pledged to secure such revenue bonds, and on the moneys in the building  
9 account or capital project account and the individual institutions of  
10 higher education bond retirement funds.

11 **Sec. 10.** RCW 43.01.090 and 1979 c 151 s 81 are each amended to  
12 read as follows:

13 The director of general administration may assess a charge or rent  
14 against each state board, commission, agency, office, department,  
15 activity, or other occupant or user for payment of a (~~proportion~~)  
16 proportionate share of costs for occupancy of buildings, structures, or  
17 facilities including but not limited to all costs of acquiring,  
18 constructing, operating, and maintaining such buildings, structures, or  
19 facilities and the repair, remodeling, or furnishing thereof and for  
20 the rendering of any service or the furnishing or providing of any  
21 supplies, equipment, or materials.

22 The director of general administration may recover the full costs  
23 including appropriate overhead charges of the foregoing by periodic  
24 billings (~~(either quarterly or semiannually)~~) as determined by the  
25 director including but not limited to transfers upon accounts and  
26 advancements into the general administration facilities and services  
27 revolving fund. Rates shall be established by the director of general  
28 administration after consultation with the director of financial  
29 management. The director of general administration may allot, provide,

1 or furnish any of such facilities, structures, services, equipment,  
2 supplies, or materials to any other public service type occupant or  
3 user at such rates or charges as are equitable and reasonably reflect  
4 the actual costs of the services provided: PROVIDED, HOWEVER, That the  
5 legislature, its duly constituted committees, interim committees and  
6 other committees shall be exempted from the provisions of this section.  
7 (~~Billings shall be adjusted at intervals of not to exceed six months~~  
8 ~~to reflect any change in actual costs relative to whatever estimates~~  
9 ~~may have been made for budget purposes.~~)

10 Upon receipt of such bill, each entity, occupant, or user shall  
11 cause a warrant or check in the amount thereof to be drawn in favor of  
12 the department of general administration which shall be deposited in  
13 the state treasury to the credit of the general administration  
14 facilities and services revolving fund established in RCW 43.19.500  
15 unless the director of financial management has authorized another  
16 method for payment of costs.

17 NEW SECTION. **Sec. 11.** The director of general administration,  
18 in cooperation with the director of the office of financial management,  
19 shall develop a plan for assessing rental charges under RCW 43.01.090  
20 to occupants of all state office and support facilities. The plan  
21 shall set forth a timetable for imposing the charges, giving priority  
22 to imposing charges relating to buildings on the capitol campus. The  
23 plan shall consider the relationship of the proposed charges to the  
24 costs of acquiring, constructing, operating, maintaining, repairing,  
25 furnishing, and supplying the buildings. The plan shall include any  
26 recommendations for budget and accounting changes necessary to  
27 implement the rental charges. The plan shall be submitted to the  
28 capital facilities and financing committee of the house of

1 representatives and the senate ways and means committee by December 1,  
2 1991.

3 **Sec. 12.** RCW 46.08.172 and 1988 ex.s. c 2 s 901 are each amended  
4 to read as follows:

5 There is hereby established an account in the state treasury to be  
6 known as the "state capitol vehicle parking account". The director of  
7 the department of general administration shall establish ~~((an))~~  
8 equitable and consistent ~~((employee))~~ parking rental fees for state-  
9 owned or leased property, ~~((effective July 1, 1988))~~ to be charged to  
10 employees, visitors, clients, service providers, and others, which  
11 reflect the legislature's intent to reduce state subsidization of  
12 parking. All fees shall take into account the market rate of  
13 comparable privately owned rental parking, as determined by the  
14 director. All unpledged parking rental income collected by the  
15 department of general administration from rental of parking space on  
16 the capitol grounds and the east capitol site shall be deposited in the  
17 "state capitol vehicle parking account". All earnings of investments  
18 of balances in the state capitol vehicle parking account shall be  
19 credited to the general fund.

20 The "state capitol vehicle parking account" shall be used to pay  
21 costs incurred in the operation, maintenance, regulation and  
22 enforcement of vehicle parking and parking facilities ~~((at the state~~  
23 ~~capitol))~~.

24 NEW SECTION. **Sec. 13.** If any provision of this act or its  
25 application to any person or circumstance is held invalid, the  
26 remainder of the act or the application of the provision to other  
27 persons or circumstances is not affected.

1        NEW SECTION.    **Sec. 14.**        Sections 1 through 8 of this act shall  
2    constitute a new chapter in Title 43 RCW.

3        NEW SECTION.    **Sec. 15.**        This act is necessary for the immediate  
4    preservation of the public peace, health, or safety, or support of the  
5    state government and its existing public institutions, and shall take  
6    effect immediately.