

# SENATE BILL REPORT

## SHB 1071

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As Reported By Senate Committee On:  
Ways & Means, April 12, 1995

**Title:** An act relating to general obligation bonds.

**Brief Description:** Authorizing general obligation bonds for costs incidental to the 1995-97 biennium.

**Sponsors:** House Committee on Capital Budget (originally sponsored by Representatives Sehlin, Ogden and Dellwo; by request of Office of Financial Management).

**Brief History:**

**Committee Activity:** Ways & Means: 4/11/95, 4/12/95 [DPA].

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Drew, Fraser, Gaspard, Hargrove, Moyer, Pelz, Sheldon, Snyder, Spanel, Sutherland, Winsley and Wojahn.

**Staff:** Michael Groesch (786-7434)

**Background:** To finance various capital improvements authorized in the biennial capital budget, the state periodically issues general obligation bonds, which are instruments of debt secured by the full faith and credit of the state. Debt service (principal and interest) payments are made from the state general fund and various dedicated revenue sources, subject to constitutional and statutory debt limitations.

The state Constitution requires a 60 percent vote of the Legislature to authorize the issuance of bonds.

**Summary of Amended Bill:** The State Finance Committee is authorized to issue \$815 million in new state general obligation bonds to finance the projects approved in the 1995-97 capital budget. Provisions are made for the disposition of the bond proceeds and the payment of debt service on the bonds.

**Amended Bill Compared to Substitute Bill:** The State Finance Committee authorization is increased from \$715 million to \$815 million.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.