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SENATE BILL 5366

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State of Washington                      54th Legislature                      1995 Regular Session

By Senator Owen; by request of Office of Financial Management

Read first time 01/20/95. Referred to Committee on Transportation.

1            AN ACT Relating to transportation bonds; amending RCW 47.10.834,  
2 47.10.835, 47.10.836, 47.10.837, 47.10.838, 47.10.839, and 47.10.841;  
3 repealing RCW 47.10.840; and declaring an emergency.

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

5            **Sec. 1.** RCW 47.10.834 and 1994 c 183 s 2 are each amended to read  
6 as follows:

7            (~~In order to provide funds necessary to implement the public-~~  
8 ~~private transportation initiatives authorized by chapter 47.46 RCW,~~  
9 ~~there shall be issued and sold upon the request of the Washington state~~  
10 ~~transportation commission a total of twenty-five million dollars of~~  
11 ~~general obligation bonds of the state of Washington.)) The state  
12 finance committee is authorized to issue general obligation bonds of  
13 the state of Washington in the sum of twenty-five million six hundred  
14 twenty-five thousand dollars, or as much thereof as may be required, to  
15 finance authorized projects and all costs incidental thereto. Bonds  
16 authorized in this section may be sold at such price as the state  
17 finance committee shall determine. No bonds authorized in this section  
18 may be offered for sale without prior legislative appropriation of the  
19 net proceeds of the sale of the bonds. In making such appropriation of~~

1 the net proceeds of the sale of bonds, the legislature shall specify  
2 what portion of the appropriation is provided for possible loans and  
3 what portion of the appropriation is provided for other forms of cash  
4 contributions to projects.

5 **Sec. 2.** RCW 47.10.835 and 1994 c 183 s 3 are each amended to read  
6 as follows:

7 Upon the request of the transportation commission, the state  
8 finance committee shall supervise and provide for the issuance, sale,  
9 and retirement of the bonds authorized by RCW 47.10.834 through  
10 47.10.841 in accordance with chapter 39.42 RCW. Bonds authorized by  
11 RCW 47.10.834 through 47.10.841 shall be sold in such manner, at such  
12 time or times, in such amounts, and at such price as the state finance  
13 committee shall determine. ~~((No such bonds may be offered for sale  
14 without prior legislative appropriation of the net proceeds of the sale  
15 of the bonds. In making such appropriation of the net proceeds of the  
16 sale of the bonds, the legislature shall specify what portion of the  
17 appropriation is provided for possible loans and what portion of the  
18 appropriation is provided for other forms of cash contributions to  
19 projects.))~~

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

25 **Sec. 3.** RCW 47.10.836 and 1994 c 183 s 4 are each amended to read  
26 as follows:

27 ~~((1))~~ The proceeds from the sale of bonds authorized by RCW  
28 47.10.834 through 47.10.841 ~~((that are in support of possible loans as  
29 specified under RCW 47.10.835))~~ shall be deposited into the  
30 ~~((transportation revolving loan account, hereby created, in the  
31 transportation))~~ motor vehicle fund. The proceeds shall be available  
32 only (1) for the ~~((purposes))~~ support of ~~((making))~~ possible loans to  
33 entities authorized to undertake projects selected under chapter 47.46  
34 RCW as enumerated in RCW 47.10.835, ~~((for the payment of bond  
35 anticipation notes, if any, and for the payment of bond issuance costs,  
36 including the costs of underwriting.~~

1       ~~(2) The proceeds from the sale of bonds authorized by RCW 47.10.834~~  
2 ~~through 47.10.841 that are in support of all forms of cash~~  
3 ~~contributions to projects selected under chapter 47.46 RCW except loans~~  
4 ~~shall be deposited into the transportation fund. The proceeds shall be~~  
5 ~~available only for the purposes of making any)) (2) to support all~~  
6 forms of cash contributions ((except loans)) to projects selected under  
7 chapter 47.46 RCW, (3) for the payment of bond anticipation notes, if  
8 any, and (4) for the payment of bond issuance costs, including the  
9 costs of underwriting.

10       **Sec. 4.** RCW 47.10.837 and 1994 c 183 s 5 are each amended to read  
11 as follows:

12       Principal and interest payments made on loans ~~((from the~~  
13 ~~transportation loan revolving account as))~~ authorized by chapter 47.46  
14 RCW shall be deposited into the ~~((transportation loan revolving~~  
15 ~~account))~~ motor vehicle fund and shall be available for the payment of  
16 principal and interest on bonds authorized by RCW 47.10.834 through  
17 47.10.841 and for such other purposes as may be specified by law.

18       **Sec. 5.** RCW 47.10.838 and 1994 c 183 s 6 are each amended to read  
19 as follows:

20       (1) Bonds issued under the authority of RCW 47.10.834 through  
21 47.10.841 shall distinctly state that they are a general obligation of  
22 the state of Washington, shall pledge the full faith and credit of the  
23 state to the payment of the principal thereof and the interest thereon,  
24 and shall contain an unconditional promise to pay such principal and  
25 interest as the same shall become due.

26       (2) The principal and interest on the bonds issued for the purposes  
27 enumerated in RCW 47.10.836 shall be first payable in the manner  
28 provided in RCW 47.10.834 through 47.10.841 from the proceeds of the  
29 state excise ~~((tax on motor vehicles imposed by RCW 82.44.020(2))~~  
30 taxes on motor vehicle and special fuels imposed by chapters 82.36,  
31 82.37, and 82.38 RCW. Proceeds of those excise taxes are pledged to  
32 the payment of any bonds and the interest thereon issued under the  
33 authority of RCW 47.10.834 through 47.10.841, and the legislature  
34 agrees to continue to impose ~~((this))~~ these excise ~~((tax))~~ taxes on  
35 motor vehicle~~((s))~~ and special fuels in amounts sufficient to pay, when  
36 due, the principal and interest on all bonds issued under the authority  
37 of RCW 47.10.834 through 47.10.841.

1       **Sec. 6.** RCW 47.10.839 and 1994 c 183 s 7 are each amended to read  
2 as follows:

3       (1) Both principal and interest on the bonds issued for the  
4 purposes of RCW 47.10.834 through 47.10.841 are payable from the  
5 (~~highway bond retirement~~) transportation bond fund. The state  
6 finance committee may provide that a special account be created in the  
7 fund to facilitate payment of the principal and interest.

8       (2) The state finance committee shall, on or before June 30th of  
9 each year certify to the state treasurer the amount required for  
10 principal and interest on the bonds issued for the purposes specified  
11 in RCW 47.10.836 in accordance with the bond proceedings. The state  
12 treasurer shall withdraw revenues from the (~~transportation~~) motor  
13 vehicle fund and deposit into the (~~highway bond retirement~~)  
14 transportation bond fund, or a special account in the fund, such  
15 amounts, and at such times, as are required by the bond proceedings.

16       (3) Any funds required for bond retirement or interest on the bonds  
17 authorized by RCW 47.10.834 through 47.10.841 shall be taken from that  
18 portion of the (~~transportation~~) motor vehicle fund that results from  
19 the imposition of excise taxes on motor vehicle(~~s~~) and special fuels  
20 which is, or may be appropriated to the department of transportation  
21 for state highway purposes. Funds required shall never constitute a  
22 charge against any other allocations of motor vehicle (~~excise~~) fuel  
23 and special fuel tax revenues to the state, counties, cities, or  
24 towns(~~, and transit agencies~~) unless the amount arising from excise  
25 taxes on motor vehicle(~~s~~) and special fuels distributed to the state  
26 in the (~~transportation~~) motor vehicle fund proves insufficient to  
27 meet the requirements for bond retirement or interest on any such  
28 bonds.

29       (4) Any payments for bond retirement or interest on the bonds taken  
30 from other revenues from the motor vehicle (~~excise~~) fuel and special  
31 fuel taxes that are distributable to the state, counties, cities, or  
32 towns(~~, and transit agencies~~) shall be repaid from the first revenues  
33 from the motor vehicle (~~excise~~) fuel or special fuel taxes  
34 distributed to the (~~transportation~~) motor vehicle fund not required  
35 for bond retirement or interest on the bonds.

36       **Sec. 7.** RCW 47.10.841 and 1994 c 183 s 9 are each amended to read  
37 as follows:

1 Bonds issued under the authority of RCW 47.10.834 through  
2 ((47.10.840)) 47.10.839 and this section and any other general  
3 obligation bonds of the state of Washington that have been or that may  
4 be authorized and that pledge motor vehicle ((~~excise~~)) and special  
5 fuels taxes for the payment of principal and interest thereon are an  
6 equal charge against the revenues from the motor vehicle and special  
7 fuels excise taxes.

8 NEW SECTION. **Sec. 8.** RCW 47.10.840 and 1994 c 183 s 8 are each  
9 repealed.

10 NEW SECTION. **Sec. 9.** If any provision of this act or its  
11 application to any person or circumstance is held invalid, the  
12 remainder of the act or the application of the provision to other  
13 persons or circumstances is not affected.

14 NEW SECTION. **Sec. 10.** This act is necessary for the immediate  
15 preservation of the public peace, health, or safety, or support of the  
16 state government and its existing public institutions, and shall take  
17 effect immediately.

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