
SUBSTITUTE HOUSE BILL 2889

State of Washington

56th Legislature

2000 Regular Session

By House Committee on Capital Budget (originally sponsored by Representatives Mitchell, Murray, Romero, Lantz, Alexander, Ogden, Van Luven, Hankins, Edwards, Stensen, Skinner, Kagi and Parlette; by request of Lieutenant Governor, State Treasurer and Secretary of State)

Read first time 02/08/2000. Referred to Committee on .

1 AN ACT Relating to legislative building preservation and
2 renovation; amending RCW 39.42.060; adding a new chapter to Title 43
3 RCW; making an appropriation; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that it is necessary
6 to complete the rehabilitation of the state legislative building, to
7 extend the useful life of the building, and to construct a new capitol
8 addition adjacent to the state legislative building for the permanent
9 relocation of offices displaced by the rehabilitation and create new
10 space for public uses.

11 Furthermore, it is the intent of the legislature to fund the
12 majority of the rehabilitation and capitol addition construction using
13 bonds repaid by the capitol building construction account, as provided
14 for in the enabling act and dedicated by the federal government for the
15 sole purpose of establishing a state capitol, to fund the cash elements
16 of the project using capital project surcharge revenues in the Thurston
17 county capital facilities account, and to support the establishment of
18 a private foundation to engage the public in the preservation of the
19 state legislative building and raise private funds for restoration and

1 educational efforts. The bonds repaid by the capitol building
2 construction account, whose revenues are from the sale of capitol
3 building lands, timber, or other materials, shall be exempt from the
4 state debt limit under RCW 39.42.060, and if at any time the capitol
5 building construction account has insufficient revenues to repay the
6 bonds, the legislature may provide additional means for the payment of
7 the bonds, but any such additional means shall be subject to the state
8 debt limit.

9 The legislature finds that the inclusion of legislative leadership
10 in the ongoing policy level decision making related to the planning,
11 design, and construction of the rehabilitation and capitol addition
12 will provide continuity of policy intent, and that the inclusion of a
13 professional preservation expert is necessary to ensure that standards
14 and guidelines for treatment of historic buildings are used
15 appropriately, and that the inclusion of a citizen representative will
16 further engage the public in preservation of the legislative building.

17 The legislature adopts and authorizes the implementation of the
18 legislative building rehabilitation and capitol addition plan as
19 proposed by the commission on the preservation and renovation of the
20 legislative building in their report to the legislature, January 20,
21 2000.

22 NEW SECTION. **Sec. 2.** For the purpose of providing funds for the
23 planning, design, construction, and other necessary costs for the
24 rehabilitation of the state legislative building and construction of
25 the capitol addition, the state finance committee is authorized to
26 issue general obligation bonds of the state of Washington in the sum of
27 one hundred one million four hundred forty-five thousand dollars or as
28 much as may be required to finance the improvements defined in the
29 legislative building rehabilitation and capitol addition plan and all
30 costs incidental thereto. Bonds authorized in this section shall not
31 constitute indebtedness for purposes of the limitations set forth in
32 RCW 39.42.060, to the extent that the bond payments are paid from the
33 capitol building construction account. Bonds authorized in this
34 section may be sold at a price the state finance committee determines.
35 No bonds authorized in this section may be offered for sale without
36 prior legislative appropriation of the net proceeds of the sale of the
37 bonds. The proceeds of the sale of the bonds issued for the purposes

1 of this subsection shall be deposited in the capitol historic district
2 construction account hereby created in the state treasury.

3 NEW SECTION. **Sec. 3.** Ninety-nine million four hundred thousand
4 dollars is appropriated in the 1999-2001 biennium from the capitol
5 historic district construction account to the department of general
6 administration for expenses related to the planning, design,
7 construction, and other necessary costs for the rehabilitation of the
8 state legislative building and capitol addition construction. Of this
9 appropriation, up to two hundred thousand dollars is authorized for the
10 purpose of conducting a feasibility study to identify the potential
11 depth and breadth of private financial support, and for the
12 administrative costs of establishing a private foundation.

13 NEW SECTION. **Sec. 4.** (1) The nondebt-limit reimbursable bond
14 retirement account must be used for the payment of the principal and
15 interest on the bonds authorized in section 2 of this act.

16 (2)(a) The state finance committee must, on or before June 30th of
17 each year, certify to the state treasurer the amount needed in the
18 ensuing twelve months to meet the bond retirement and interest
19 requirements on the bonds authorized in section 2 of this act.

20 (b) On or before the date on which any interest or principal and
21 interest is due, the state treasurer shall transfer from the capitol
22 building construction account for deposit into the nondebt-limit
23 reimbursable bond retirement account, the amount computed in (a) of
24 this subsection for bonds issued for the purposes of section 2 of this
25 act.

26 (3) If the capitol building construction account has insufficient
27 revenues to pay the principal and interest computed in subsection
28 (2)(a) of this section, then the debt-limit reimbursable bond
29 retirement account must be used for the payment of the principal and
30 interest on the bonds authorized in section 2 of this act from any
31 additional means provided by the legislature.

32 NEW SECTION. **Sec. 5.** (1) Bonds issued under section 1 of this act
33 must state that they are a general obligation of the state of
34 Washington, must pledge the full faith and credit of the state to the
35 payment of the principal and interest, and must contain an

1 unconditional promise to pay the principal and interest as it becomes
2 due.

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

7 NEW SECTION. **Sec. 6.** The legislature may provide additional means
8 for raising moneys for the payment of the principal and interest on the
9 bonds authorized in section 1 of this act, and sections 2 through 6 of
10 this act shall not be deemed to provide an exclusive method for their
11 payment.

12 **Sec. 7.** RCW 39.42.060 and 1999 c 273 s 9 are each amended to read
13 as follows:

14 No bonds, notes, or other evidences of indebtedness for borrowed
15 money shall be issued by the state which will cause the aggregate debt
16 contracted by the state to exceed that amount for which payments of
17 principal and interest in any fiscal year would require the state to
18 expend more than seven percent of the arithmetic mean of its general
19 state revenues, as defined in section 1(c) of Article VIII of the
20 Washington state Constitution for the three immediately preceding
21 fiscal years as certified by the treasurer in accordance with RCW
22 39.42.070. It shall be the duty of the state finance committee to
23 compute annually the amount required to pay principal of and interest
24 on outstanding debt. In making such computation, the state finance
25 committee shall include all borrowed money represented by bonds, notes,
26 or other evidences of indebtedness which are secured by the full faith
27 and credit of the state or are required to be paid, directly or
28 indirectly, from general state revenues and which are incurred by the
29 state, any department, authority, public corporation or quasi public
30 corporation of the state, any state university or college, or any other
31 public agency created by the state but not by counties, cities, towns,
32 school districts, or other municipal corporations, and shall include
33 debt incurred pursuant to section 3 of Article VIII of the Washington
34 state Constitution, but shall exclude the following:

35 (1) Obligations for the payment of current expenses of state
36 government;

37 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

1 (3) Principal of and interest on bond anticipation notes;
2 (4) Any indebtedness which has been refunded;
3 (5) Financing contracts entered into under chapter 39.94 RCW;
4 (6) Indebtedness authorized or incurred before July 1, 1993,
5 pursuant to statute which requires that the state treasury be
6 reimbursed, in the amount of the principal of and the interest on such
7 indebtedness, from money other than general state revenues or from the
8 special excise tax imposed pursuant to chapter 67.40 RCW;

9 (7) Indebtedness authorized and incurred after July 1, 1993,
10 pursuant to statute that requires that the state treasury be
11 reimbursed, in the amount of the principal of and the interest on such
12 indebtedness, from (a) moneys outside the state treasury, except higher
13 education operating fees, (b) higher education building fees, (c)
14 indirect costs recovered from federal grants and contracts, and (d)
15 fees and charges associated with hospitals operated or managed by
16 institutions of higher education;

17 (8) Any agreement, promissory note, or other instrument entered
18 into by the state finance committee under RCW 39.42.030 in connection
19 with its acquisition of bond insurance, letters of credit, or other
20 credit support instruments for the purpose of guaranteeing the payment
21 or enhancing the marketability, or both, of any state bonds, notes, or
22 other evidence of indebtedness;

23 (9) Indebtedness incurred for the purposes identified in RCW
24 43.99N.020; ((and))

25 (10) Indebtedness incurred for the purposes of the school district
26 bond guaranty established by chapter 39.98 RCW; and

27 (11) Indebtedness incurred for the purposes of the state
28 legislative building rehabilitation and capitol addition construction,
29 to the extent that principal and interest payments of such indebtedness
30 are paid from the capitol building construction account pursuant to
31 section 4(2)(b) of this act.

32 To the extent necessary because of the constitutional or statutory
33 debt limitation, priorities with respect to the issuance or
34 guaranteeing of bonds, notes, or other evidences of indebtedness by the
35 state shall be determined by the state finance committee.

36 NEW SECTION. Sec. 8. Sections 1 through 6 of this act constitute
37 a new chapter in Title 43 RCW.

1 NEW SECTION. **Sec. 9.** 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 immediately.

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