

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 3316

Chapter 167, Laws of 2006

59th Legislature
2006 Regular Session

GENERAL OBLIGATION BONDS

EFFECTIVE DATE: 3/22/06

Passed by the House February 28, 2006
Yeas 90 Nays 7

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 8, 2006
Yeas 47 Nays 0

BRAD OWEN

President of the Senate

Approved March 22, 2006.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 3316** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

March 22, 2006 - 2:59 p.m.

**Secretary of State
State of Washington**

1 building construction account created in RCW 43.83.020. If the state
2 finance committee deems it necessary to issue the bonds authorized in
3 section 101 of this act as taxable bonds in order to comply with
4 federal internal revenue service rules and regulations pertaining to
5 the use of nontaxable bond proceeds, the proceeds of such taxable bonds
6 shall be transferred to the state taxable building construction account
7 in lieu of any deposit otherwise provided by this section. The state
8 treasurer shall submit written notice to the director of financial
9 management if it is determined that any such transfer to the state
10 taxable building construction account is necessary. Moneys in the
11 account may be spent only after appropriation. The proceeds shall be
12 used exclusively for the purposes specified in section 101 of this act
13 and for the payment of expenses incurred in the issuance and sale of
14 the bonds. These proceeds shall be administered by the office of
15 financial management, subject to legislative appropriation.

16 NEW SECTION. **Sec. 103.** The debt-limit general fund bond
17 retirement account shall be used for the payment of the principal of
18 and interest on the bonds authorized in section 101 of this act.

19 The state finance committee shall, on or before June 30th of each
20 year, certify to the state treasurer the amount needed in the ensuing
21 twelve months to meet the bond retirement and interest requirements.
22 On each date on which any interest or principal and interest payment is
23 due, the state treasurer shall withdraw from any general state revenues
24 received in the state treasury and deposit in the debt-limit general
25 fund bond retirement account an amount equal to the amount certified by
26 the state finance committee to be due on the payment date.

27 Bonds issued under section 101 of this act shall state that they
28 are a general obligation of the state of Washington, shall pledge the
29 full faith and credit of the state to the payment of the principal
30 thereof and the interest thereon, and shall contain an unconditional
31 promise to pay the principal and interest as the same shall become due.

32 The owner and holder of each of the bonds or the trustee for the
33 owner and holder of any of the bonds may by mandamus or other
34 appropriate proceeding require the transfer and payment of funds as
35 directed in this section.

1 NEW SECTION. **Sec. 104.** The legislature may provide additional
2 means for raising moneys for the payment of the principal of and
3 interest on the bonds authorized in section 101 of this act, and
4 section 103 of this act shall not be deemed to provide an exclusive
5 method for the payment.

6 NEW SECTION. **Sec. 105.** The bonds authorized in section 101 of
7 this act shall be a legal investment for all state funds or funds under
8 state control and for all funds of any other public body.

9 **PART 2**

10 NEW SECTION. **Sec. 201.** For the purpose of providing funds for the
11 Columbia river basin water supply development program, the state
12 finance committee is authorized to issue general obligation bonds of
13 the state of Washington in the sum of two hundred million dollars, or
14 as much thereof as may be required, to finance the projects and all
15 costs incidental thereto. Bonds authorized in this section may be sold
16 at such price as the state finance committee shall determine. No bonds
17 authorized in this section may be offered for sale without prior
18 legislative appropriation of the net proceeds of the sale of the bonds.

19 NEW SECTION. **Sec. 202.** It is the intent of the legislature that
20 the proceeds of the new bonds authorized in section 201 of this act
21 will be appropriated in phases over five biennia, beginning with the
22 2005-2007 biennium. This is not intended to limit the legislature's
23 ability to appropriate bond proceeds if the full amount authorized in
24 section 201 of this act has not been appropriated after five biennia.
25 The authorization to issue bonds contained in section 201 of this act
26 does not expire until the full authorization has been appropriated and
27 issued.

28 NEW SECTION. **Sec. 203.** The proceeds from the sale of the bonds
29 authorized in section 201 of this act shall be deposited in the
30 Columbia river basin water supply development account created in
31 chapter ... (Engrossed Second Substitute House Bill No. 2860), Laws of
32 2006. If the state finance committee deems it necessary to issue the
33 bonds authorized in section 201 of this act as taxable bonds in order

1 to comply with federal internal revenue service rules and regulations
2 pertaining to the use of nontaxable bond proceeds, the proceeds of such
3 taxable bonds shall be transferred to the state taxable building
4 construction account in lieu of any deposit otherwise provided by this
5 section. The state treasurer shall submit written notice to the
6 director of financial management if it is determined that any such
7 transfer to the state taxable building construction account is
8 necessary. Moneys in the account may be spent only after
9 appropriation. The proceeds shall be used exclusively for the purposes
10 specified in section 201 of this act and for the payment of expenses
11 incurred in the issuance and sale of the bonds. These proceeds shall
12 be administered by the office of financial management, subject to
13 legislative appropriation.

14 NEW SECTION. **Sec. 204.** The debt-limit general fund bond
15 retirement account shall be used for the payment of the principal of
16 and interest on the bonds authorized in section 201 of this act.

17 The state finance committee shall, on or before June 30th of each
18 year, certify to the state treasurer the amount needed in the ensuing
19 twelve months to meet the bond retirement and interest requirements.
20 On each date on which any interest or principal and interest payment is
21 due, the state treasurer shall withdraw from any general state revenues
22 received in the state treasury and deposit in the debt-limit general
23 fund bond retirement account an amount equal to the amount certified by
24 the state finance committee to be due on the payment date.

25 Bonds issued under section 201 of this act shall state that they
26 are a general obligation of the state of Washington, shall pledge the
27 full faith and credit of the state to the payment of the principal
28 thereof and the interest thereon, and shall contain an unconditional
29 promise to pay the principal and interest as the same shall become due.

30 The owner and holder of each of the bonds or the trustee for the
31 owner and holder of any of the bonds may by mandamus or other
32 appropriate proceeding require the transfer and payment of funds as
33 directed in this section.

34 NEW SECTION. **Sec. 205.** The legislature may provide additional
35 means for raising moneys for the payment of the principal of and

1 interest on the bonds authorized in section 201 of this act, and
2 section 204 of this act shall not be deemed to provide an exclusive
3 method for the payment.

4 NEW SECTION. **Sec. 206.** The bonds authorized in section 201 of
5 this act shall be a legal investment for all state funds or funds under
6 state control and for all funds of any other public body.

7 **PART 3**

8 NEW SECTION. **Sec. 301.** For the purpose of providing funds for the
9 Hood Canal aquatic rehabilitation program, the state finance committee
10 is authorized to issue general obligation bonds of the state of
11 Washington in the sum of six million nine hundred twenty thousand
12 dollars, or as much thereof as may be required, to finance the projects
13 and all costs incidental thereto. Bonds authorized in this section may
14 be sold at such price as the state finance committee shall determine.
15 No bonds authorized in this section may be offered for sale without
16 prior legislative appropriation of the net proceeds of the sale of the
17 bonds.

18 NEW SECTION. **Sec. 302.** (1) It is the intent of the legislature
19 that the proceeds of the new bonds authorized in section 301 of this
20 act will be appropriated in the 2005-2007 biennium.

21 (2) A portion of the bonds issued under section 301 of this act are
22 intended to be used for wastewater and clean water improvement projects
23 at state parks as part of the Hood Canal aquatic rehabilitation
24 program. State parks intended to be improved by the bond proceeds
25 authorized in section 301 of this act include, but are not limited to,
26 the following:

27 (a) Approximately one hundred thousand dollars for Twanoh state
28 park;

29 (b) Approximately one million two hundred thousand dollars for
30 Dosewallips state park;

31 (c) Approximately seven hundred thousand dollars for Belfair state
32 park;

33 (d) Approximately one million fifty thousand dollars for Potlatch
34 state park;

- 1 (e) Approximately five hundred thousand dollars for Kitsap Memorial
- 2 state park;
- 3 (f) Approximately nine hundred thousand dollars for Scenic Beach
- 4 state park;
- 5 (g) Approximately three hundred thousand dollars for Twanoh and
- 6 Triton Cove state parks;
- 7 (h) Approximately eight hundred fifty thousand dollars for Shine
- 8 Tideland state park;
- 9 (i) Approximately one hundred fifty thousand dollars for Pleasant
- 10 Harbor state park; and
- 11 (j) Approximately one hundred seventy thousand dollars for Triton
- 12 Cove state park.

13 NEW SECTION. **Sec. 303.** The proceeds from the sale of the bonds
14 authorized in section 301 of this act shall be deposited in the Hood
15 Canal aquatic rehabilitation bond account created in section 307 of
16 this act. If the state finance committee deems it necessary to issue
17 the bonds authorized in section 301 of this act as taxable bonds in
18 order to comply with federal internal revenue service rules and
19 regulations pertaining to the use of nontaxable bond proceeds, the
20 proceeds of such taxable bonds shall be transferred to the state
21 taxable building construction account in lieu of any deposit otherwise
22 provided by this section. The state treasurer shall submit written
23 notice to the director of financial management if it is determined that
24 any such transfer to the state taxable building construction account is
25 necessary. Moneys in the account may be spent only after
26 appropriation. The proceeds shall be used exclusively for the purposes
27 specified in section 301 of this act and for the payment of expenses
28 incurred in the issuance and sale of the bonds. These proceeds shall
29 be administered by the office of financial management, subject to
30 legislative appropriation.

31 NEW SECTION. **Sec. 304.** The debt-limit general fund bond
32 retirement account shall be used for the payment of the principal of
33 and interest on the bonds authorized in section 301 of this act.

34 The state finance committee shall, on or before June 30th of each
35 year, certify to the state treasurer the amount needed in the ensuing
36 twelve months to meet the bond retirement and interest requirements.

1 On each date on which any interest or principal and interest payment is
2 due, the state treasurer shall withdraw from any general state revenues
3 received in the state treasury and deposit in the debt-limit general
4 fund bond retirement account an amount equal to the amount certified by
5 the state finance committee to be due on the payment date.

6 Bonds issued under section 301 of this act shall state that they
7 are a general obligation of the state of Washington, shall pledge the
8 full faith and credit of the state to the payment of the principal
9 thereof and the interest thereon, and shall contain an unconditional
10 promise to pay the principal and interest as the same shall become due.

11 The owner and holder of each of the bonds or the trustee for the
12 owner and holder of any of the bonds may by mandamus or other
13 appropriate proceeding require the transfer and payment of funds as
14 directed in this section.

15 NEW SECTION. **Sec. 305.** The legislature may provide additional
16 means for raising moneys for the payment of the principal of and
17 interest on the bonds authorized in section 301 of this act, and
18 section 304 of this act shall not be deemed to provide an exclusive
19 method for the payment.

20 NEW SECTION. **Sec. 306.** The bonds authorized in section 301 of
21 this act shall be a legal investment for all state funds or funds under
22 state control and for all funds of any other public body.

23 NEW SECTION. **Sec. 307.** The Hood Canal aquatic rehabilitation bond
24 account is created in the state treasury. All receipts from proceeds
25 from the bonds issued under section 301 of this act must be deposited
26 into the account. Moneys in the account may be spent only after
27 appropriation. Expenditures from the account may be used only for
28 programs and projects to protect and restore Hood Canal, including
29 implementing RCW 90.88.020 and 90.88.030.

30 **PART 4**

31 NEW SECTION. **Sec. 401.** For the purpose of providing funds for the
32 rehabilitation of Puget Sound, the state finance committee is
33 authorized to issue general obligation bonds of the state of Washington

1 in the sum of seven million three hundred seventy-five thousand
2 dollars, or as much thereof as may be required, to finance the projects
3 and all costs incidental thereto. Bonds authorized in this section may
4 be sold at such price as the state finance committee shall determine.
5 No bonds authorized in this section may be offered for sale without
6 prior legislative appropriation of the net proceeds of the sale of the
7 bonds.

8 NEW SECTION. **Sec. 402.** (1) It is the intent of the legislature
9 that the proceeds of the new bonds authorized in section 401 of this
10 act will be appropriated in the 2005-2007 biennium.

11 (2) The bonds issued under section 401 of this act are intended to
12 be used for wastewater and clean water improvement projects at state
13 parks as part of the rehabilitation of Puget Sound. State parks
14 intended to be improved by the bond proceeds authorized in section 401
15 of this act include, but are not limited to, the following:

16 (a) Approximately one hundred twenty-five thousand dollars for
17 Sequim Bay state park;

18 (b) Approximately seven hundred fifty thousand dollars for Fort
19 Flagler state park;

20 (c) Approximately seven hundred fifty thousand dollars for Larabee
21 state park;

22 (d) Approximately three hundred thousand dollars for Fort Worden
23 state park;

24 (e) Approximately three hundred thousand dollars for Camano Island
25 state park;

26 (f) Approximately three hundred fifty thousand dollars for
27 Deception Pass state park;

28 (g) Approximately two hundred fifty thousand dollars for Possession
29 Point;

30 (h) Approximately one million one hundred thousand dollars for
31 Illahee state park;

32 (i) Approximately one million two hundred thousand dollars for
33 Kopachuck state park;

34 (j) Approximately seven hundred thousand dollars for Penrose Point
35 state park;

36 (k) Approximately two hundred fifty thousand dollars for Blake
37 Island state park; and

1 (1) Approximately one million three hundred thousand dollars for
2 Fay Bainbridge state park.

3 NEW SECTION. **Sec. 403.** The proceeds from the sale of the bonds
4 authorized in section 401 of this act shall be deposited in the state
5 building construction account created in RCW 43.83.020. If the state
6 finance committee deems it necessary to issue the bonds authorized in
7 section 401 of this act as taxable bonds in order to comply with
8 federal internal revenue service rules and regulations pertaining to
9 the use of nontaxable bond proceeds, the proceeds of such taxable bonds
10 shall be transferred to the state taxable building construction account
11 in lieu of any deposit otherwise provided by this section. The state
12 treasurer shall submit written notice to the director of financial
13 management if it is determined that any such transfer to the state
14 taxable building construction account is necessary. Moneys in the
15 account may be spent only after appropriation. The proceeds shall be
16 used exclusively for the purposes specified in section 401 of this act
17 and for the payment of expenses incurred in the issuance and sale of
18 the bonds. These proceeds shall be administered by the office of
19 financial management, subject to legislative appropriation.

20 NEW SECTION. **Sec. 404.** The debt-limit general fund bond
21 retirement account shall be used for the payment of the principal of
22 and interest on the bonds authorized in section 401 of this act.

23 The state finance committee shall, on or before June 30th of each
24 year, certify to the state treasurer the amount needed in the ensuing
25 twelve months to meet the bond retirement and interest requirements.
26 On each date on which any interest or principal and interest payment is
27 due, the state treasurer shall withdraw from any general state revenues
28 received in the state treasury and deposit in the debt-limit general
29 fund bond retirement account an amount equal to the amount certified by
30 the state finance committee to be due on the payment date.

31 Bonds issued under section 401 of this act shall state that they
32 are a general obligation of the state of Washington, shall pledge the
33 full faith and credit of the state to the payment of the principal
34 thereof and the interest thereon, and shall contain an unconditional
35 promise to pay the principal and interest as the same shall become due.

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

5 NEW SECTION. **Sec. 405.** The legislature may provide additional
6 means for raising moneys for the payment of the principal of and
7 interest on the bonds authorized in section 401 of this act, and
8 section 404 of this act shall not be deemed to provide an exclusive
9 method for the payment.

10 NEW SECTION. **Sec. 406.** The bonds authorized in section 401 of
11 this act shall be a legal investment for all state funds or funds under
12 state control and for all funds of any other public body.

13 **PART 5**

14 NEW SECTION. **Sec. 501.** Sections 101 through 105 of this act
15 constitute a new chapter in Title 43 RCW.

16 NEW SECTION. **Sec. 502.** Sections 201 through 206 of this act
17 constitute a new chapter in Title 43 RCW.

18 NEW SECTION. **Sec. 503.** Sections 301 through 307 of this act
19 constitute a new chapter in Title 43 RCW.

20 NEW SECTION. **Sec. 504.** Sections 401 through 406 of this act
21 constitute a new chapter in Title 43 RCW.

22 NEW SECTION. **Sec. 505.** If any provision of this act or its
23 application to any person or circumstance is held invalid, the
24 remainder of the act or the application of the provision to other
25 persons or circumstances is not affected.

26 NEW SECTION. **Sec. 506.** This act is necessary for the immediate
27 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 immediately.

Passed by the House February 28, 2006.

Passed by the Senate March 8, 2006.

Approved by the Governor March 22, 2006.

Filed in Office of Secretary of State March 22, 2006.