
SUBSTITUTE HOUSE BILL 2394

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Clibborn, Jarrett, Kenney and Moeller)

READ FIRST TIME 03/22/07.

1 AN ACT Relating to requesting the issuance and sale of general
2 obligation bonds for transportation improvements; and amending RCW
3 47.10.812, 47.10.813, 47.10.861, 47.10.873, 47.10.877, 47.26.420, and
4 47.26.425.

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

6 **Sec. 1.** RCW 47.10.812 and 1999 sp.s. c 2 s 1 are each amended to
7 read as follows:

8 In order to provide funds necessary for the location, design, right
9 of way, and construction of state highway improvements that are
10 identified as special category C improvements, there shall be issued
11 and sold upon the request of the Washington state secretary of
12 transportation (~~commission~~) a total of (~~three~~) six hundred
13 (~~thirty~~) million dollars of general obligation bonds of the state of
14 Washington.

15 **Sec. 2.** RCW 47.10.813 and 1993 c 431 s 2 are each amended to read
16 as follows:

17 Upon the request of the secretary of transportation (~~commission~~),
18 the state finance committee shall supervise and provide for the

1 issuance, sale, and retirement of the bonds authorized by RCW 47.10.812
2 through 47.10.817 in accordance with chapter 39.42 RCW. Bonds
3 authorized by RCW 47.10.812 through 47.10.817 shall be sold in such
4 manner, at such time or times, in such amounts, and at such price as
5 the state finance committee shall determine. No such bonds may be
6 offered for sale without prior legislative appropriation of the net
7 proceeds of the sale of the bonds.

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

13 **Sec. 3.** RCW 47.10.861 and 2006 c 334 s 31 are each amended to read
14 as follows:

15 In order to provide funds necessary for the location, design, right
16 of way, and construction of selected projects or improvements that are
17 identified as transportation 2003 projects or improvements in the
18 omnibus transportation budget, there shall be issued and sold upon the
19 request of the secretary of the department of transportation a total of
20 (~~two~~) three billion (~~six~~) two hundred million dollars of general
21 obligation bonds of the state of Washington.

22 **Sec. 4.** RCW 47.10.873 and 2005 c 315 s 1 are each amended to read
23 as follows:

24 In order to provide funds necessary for the location, design, right
25 of way, and construction of selected projects or improvements that are
26 identified as 2005 transportation partnership projects or improvements
27 in the omnibus transportation budget (~~{2005 c 313}~~) chapter 313, Laws
28 of 2005, there shall be issued and sold upon the request of the
29 department of transportation a total of five billion (~~one~~) three
30 hundred million dollars of general obligation bonds of the state of
31 Washington.

32 **Sec. 5.** RCW 47.10.877 and 2005 c 315 s 5 are each amended to read
33 as follows:

34 Both principal and interest on the bonds issued for the purposes of
35 RCW 47.10.873 through 47.10.878 shall be payable from the highway bond

1 retirement fund. The state finance committee may provide that a
2 special account be created in the fund to facilitate payment of the
3 principal and interest. The state finance committee shall, on or
4 before June 30th of each year, certify to the state treasurer the
5 amount required for principal and interest on the bonds in accordance
6 with the bond proceedings. The state treasurer shall withdraw revenues
7 from the transportation partnership account in the motor vehicle fund
8 and deposit in the highway bond retirement fund, or a special account
9 in the fund, such amounts, and at such times, as are required by the
10 bond proceedings.

11 Any funds required for bond retirement or interest on the bonds
12 authorized by RCW 47.10.873 through 47.10.878 shall be taken from that
13 portion of the motor vehicle fund that results from the imposition of
14 excise taxes on motor vehicle and special fuels and that is distributed
15 to the transportation partnership account in the motor vehicle fund.
16 Funds required shall never constitute a charge against any other
17 allocations of motor vehicle fuel and special fuel tax revenues to the
18 state, counties, cities, and towns unless the amount arising from
19 excise taxes on motor vehicle and special fuels distributed to the
20 transportation ((2005—[partnership])) partnership account proves
21 insufficient to meet the requirements for bond retirement or interest
22 on any such bonds.

23 Any payments for bond retirement or interest on the bonds taken
24 from other revenues from the motor vehicle fuel or special fuel taxes
25 that are distributable to the state, counties, cities, and towns shall
26 be repaid from the first revenues from the motor vehicle fuel or
27 special fuel taxes distributed to the transportation partnership
28 account not required for bond retirement or interest on the bonds.

29 **Sec. 6.** RCW 47.26.420 and 1981 c 315 s 5 are each amended to read
30 as follows:

31 In order to provide funds necessary to meet the urgent construction
32 needs on county and city arterials within urban areas, there are hereby
33 authorized for issuance general obligation bonds of the state of
34 Washington, the first authorization of which shall be in the sum of two
35 hundred fifty million dollars, and the second authorization of which,
36 to be known as series II bonds, shall be in the sum of sixty million
37 dollars, and the third authorization of which, to be known as series

1 III bonds, shall be in the sum of one hundred million dollars, which
2 shall be issued and sold in such amounts and at such times as
3 determined to be necessary by the state transportation commission. The
4 amount of such bonds issued and sold under the provisions of RCW
5 47.26.420 through 47.26.427 in any biennium shall not exceed the amount
6 of a specific appropriation therefor, from the proceeds of such bonds,
7 for the construction of county and city arterials in urban areas. The
8 issuance, sale, and retirement of said bonds shall be under the
9 supervision and control of the state finance committee which, upon
10 request being made by the state transportation commission, shall
11 provide for the issuance, sale, and retirement of coupon or registered
12 bonds to be dated, issued, and sold from time to time in such amounts
13 as shall be requested by the state transportation commission.

14 **Sec. 7.** RCW 47.26.425 and 1999 sp.s. c 1 s 609 are each amended to
15 read as follows:

16 Any funds required to repay the first authorization of two hundred
17 fifty million dollars of bonds authorized by RCW 47.26.420, as amended
18 by section 18, chapter 317, Laws of 1977 ex. sess. or the interest
19 thereon when due, shall be taken from that portion of the motor vehicle
20 fund which results from the imposition of excise taxes on motor vehicle
21 and special fuels and which is distributed to the urban arterial trust
22 account in the motor vehicle fund pursuant to RCW 46.68.090(~~((1)(g))~~)
23 (2)(e), and shall never constitute a charge against any allocations of
24 any other such funds in the motor vehicle fund to the state, counties,
25 cities, and towns unless and until the amount of the motor vehicle fund
26 arising from the excise tax on motor vehicle and special fuels and
27 distributed to the urban arterial trust account proves insufficient to
28 meet the requirements for bond retirement or interest on any such
29 bonds.

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