

SHB 1080 - H AMD 646

By Representative Tharinger

NOT CONSIDERED 01/05/2018

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** For the purpose of providing funds to  
4 finance the projects described and authorized by the legislature in  
5 the omnibus capital and operating appropriations acts for the  
6 2017-2019 fiscal biennium, and all costs incidental thereto, the  
7 state finance committee is authorized to issue general obligation  
8 bonds of the state of Washington in the sum of two billion seven  
9 hundred seventy-three million eight hundred ninety thousand dollars,  
10 or as much thereof as may be required, to finance these projects and  
11 all costs incidental thereto. Bonds authorized in this section may be  
12 sold at such price as the state finance committee shall determine. No  
13 bonds authorized in this section may be offered for sale without  
14 prior legislative appropriation of the net proceeds of the sale of  
15 the bonds.

16 NEW SECTION. **Sec. 2.** (1) The proceeds from the sale of bonds  
17 authorized in section 1 of this act shall be deposited in the state  
18 building construction account created by RCW 43.83.020. The proceeds  
19 shall be transferred as follows:

20 (a) Two billion five hundred forty-four million five hundred  
21 forty-nine thousand dollars to remain in the state building  
22 construction account created by RCW 43.83.020;

23 (b) Two hundred one million five hundred ninety-nine thousand  
24 dollars to the state taxable building construction account. All  
25 receipts from taxable bonds issued are to be deposited into the  
26 account. If the state finance committee deems it necessary or  
27 advantageous to issue more than the amount specified in this  
28 subsection (1)(b) as taxable bonds in order to comply with federal  
29 internal revenue service rules and regulations pertaining to the use  
30 of nontaxable bond proceeds or in order to reduce the total financing  
31 costs for bonds issued, the proceeds of such additional taxable bonds

1 shall be transferred to the state taxable building construction  
2 account in lieu of any transfer otherwise provided by this section.  
3 If the state finance committee determines that a portion of the  
4 amount specified in this subsection (1)(b) as taxable bonds may be  
5 issued as nontaxable bonds in compliance with federal internal  
6 revenue service rules and regulations pertaining to the use of  
7 nontaxable bond proceeds, then such bond proceeds shall be  
8 transferred to the state building construction account in lieu of the  
9 transfer to the state taxable building construction account otherwise  
10 provided by this subsection (1)(b). The state treasurer shall submit  
11 written notice to the director of financial management if it is  
12 determined that any such additional transfer to the state taxable  
13 building construction account is necessary or that a transfer from  
14 the state taxable building construction account to the state building  
15 construction account may be made. Moneys in the account may be spent  
16 only after appropriation.

17 (c) The treasurer shall transfer bond proceeds deposited in the  
18 state building construction account into the outdoor recreation  
19 account created by RCW 79A.25.060, the habitat conservation account  
20 created by RCW 79A.15.020, the farm and forest account created by RCW  
21 79A.15.130, and the early learning facilities development account, at  
22 various times and in various amounts necessary to support authorized  
23 expenditures from those accounts.

24 (d) The treasurer shall transfer bond proceeds deposited in the  
25 state taxable building construction account into the early learning  
26 facilities revolving account at various times and in various amounts  
27 necessary to support authorized expenditures from that account.

28 (2) These proceeds shall be used exclusively for the purposes  
29 specified in this section and for the payment of expenses incurred in  
30 the issuance and sale of the bonds issued for the purposes of this  
31 section, and shall be administered by the office of financial  
32 management subject to legislative appropriation.

33 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond  
34 retirement account shall be used for the payment of the principal of  
35 and interest on the bonds authorized in section 2(1) (a) through (c)  
36 of this act.

37 (2) The state finance committee shall, on or before June 30th of  
38 each year, certify to the state treasurer the amount needed in the  
39 ensuing twelve months to meet the bond retirement and interest

1 requirements on the bonds authorized in section 2(1) (a) through (c)  
2 of this act.

3 (3) On each date on which any interest or principal and interest  
4 payment is due on bonds issued for the purposes of section 2(1) (a)  
5 through (c) of this act the state treasurer shall withdraw from any  
6 general state revenues received in the state treasury and deposit in  
7 the debt-limit general fund bond retirement account an amount equal  
8 to the amount certified by the state finance committee to be due on  
9 the payment date.

10 NEW SECTION. **Sec. 4.** (1) Bonds issued under sections 1 through  
11 3 of this act shall state that they are a general obligation of the  
12 state of Washington, shall pledge the full faith and credit of the  
13 state to the payment of the principal thereof and the interest  
14 thereon, and shall contain an unconditional promise to pay the  
15 principal and interest as the same shall become due.

16 (2) The owner and holder of each of the bonds or the trustee for  
17 the owner and holder of any of the bonds may by mandamus or other  
18 appropriate proceeding require the transfer and payment of funds as  
19 directed in this section.

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

25 **Sec. 6.** RCW 43.99G.150 and 2006 c 167 s 101 are each amended to  
26 read as follows:

27 (1) For the purpose of providing funds for state correctional  
28 facilities, the state finance committee is authorized to issue  
29 general obligation bonds of the state of Washington in the sum of  
30 fifty-nine million three hundred thousand dollars, or as much thereof  
31 as may be required, to finance the projects and all costs incidental  
32 thereto. Bonds authorized in this section may be sold at such price  
33 as the state finance committee shall determine. No bonds authorized  
34 in this section may be offered for sale without prior legislative  
35 appropriation of the net proceeds of the sale of the bonds.

1 (2) If any bonds authorized in this chapter have not been issued  
2 by June 30, 2017, the authority of the state finance committee to  
3 issue such remaining unissued bonds expires June 30, 2017.

4 **Sec. 7.** RCW 43.99G.170 and 2006 c 167 s 301 are each amended to  
5 read as follows:

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

16 (2) If any bonds authorized in this chapter have not been issued  
17 by June 30, 2017, the authority of the state finance committee to  
18 issue such remaining unissued bonds expires June 30, 2017.

19 **Sec. 8.** RCW 43.99G.180 and 2006 c 167 s 401 are each amended to  
20 read as follows:

21 (1) For the purpose of providing funds for the rehabilitation of  
22 Puget Sound, the state finance committee is authorized to issue  
23 general obligation bonds of the state of Washington in the sum of  
24 seven million three hundred seventy-five thousand dollars, or as much  
25 thereof as may be required, to finance the projects and all costs  
26 incidental thereto. Bonds authorized in this section may be sold at  
27 such price as the state finance committee shall determine. No bonds  
28 authorized in this section may be offered for sale without prior  
29 legislative appropriation of the net proceeds of the sale of the  
30 bonds.

31 (2) If any bonds authorized in this chapter have not been issued  
32 by June 30, 2017, the authority of the state finance committee to  
33 issue such remaining unissued bonds expires June 30, 2017.

34 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.99H  
35 RCW to read as follows:

1        If any bonds authorized in this chapter have not been issued by  
2 June 30, 2017, the authority of the state finance committee to issue  
3 such remaining unissued bonds expires June 30, 2017.

4        NEW SECTION.    **Sec. 10.**    A new section is added to chapter 28B.14H  
5 RCW to read as follows:

6        If any bonds authorized in this chapter have not been issued by  
7 June 30, 2017, the authority of the state finance committee to issue  
8 such remaining unissued bonds expires June 30, 2017.

9        NEW SECTION.    **Sec. 11.**    Sections 1 through 5 of this act  
10 constitute a new chapter in Title 43 RCW.

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

15        NEW SECTION.    **Sec. 13.**    This act is necessary for the immediate  
16 preservation of the public peace, health, or safety, or support of  
17 the state government and its existing public institutions, and takes  
18 effect immediately."

19        Correct the title.

EFFECT: Authorizes the State Finance Committee to issue up to  
\$2.77 billion in state general obligation bonds to finance projects  
in the 2017-2019 capital budget and to pay expenses incurred in the  
issuance and sale of bonds.

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