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**SENATE BILL 6468**

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**State of Washington**

**65th Legislature**

**2018 Regular Session**

**By** Senators Braun, Frockt, Fain, Darneille, Rolfes, Walsh, Becker, Brown, Zeiger, Billig, Warnick, Honeyford, Keiser, Miloscia, O'Ban, and Short

Read first time 01/18/18. Referred to Committee on Ways & Means.

1 AN ACT Relating to expanding community-based behavioral health  
2 facilities through issuance of state bonds; adding a new chapter to  
3 Title 43 RCW; and providing for submission of certain sections of  
4 this act to a vote of the people.

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

6 **PART I**  
7 **COMMUNITY-BASED BEHAVIORAL HEALTH FACILITIES**

8 NEW SECTION. **Sec. 101.** The legislature finds there is a growing  
9 need for high quality community behavioral health services. The  
10 growing demand for state hospital beds has strained the state's  
11 capacity to provide sufficient services in both the state hospitals  
12 and in the community for individuals suffering from acute behavioral  
13 and substance use disorders. The legislature intends to address the  
14 needs of people with mental disorders through a comprehensive set of  
15 evidence-based practices that are effective in serving individuals in  
16 their community and will reduce the need for placements in and  
17 facilitate timely discharge from state mental hospitals.

18 The legislature finds further that local facilities and services  
19 that keep Washington residents closer to their families and  
20 communities improve outcomes. These services may be provided in

1 community settings including, but not limited to, evaluation and  
2 treatment centers, crisis triage and stabilization centers, less  
3 restrictive alternative step-down beds, enhanced service facilities,  
4 detoxification centers, transitional and long-term housing,  
5 residential treatment centers, and other such facilities. Additional  
6 resources for these community settings help prevent the need for an  
7 inpatient level of care at a state hospital or other long-term  
8 inpatient hospital setting.

9 **PART II**

10 **BOND AUTHORIZATION**

11 NEW SECTION. **Sec. 201.** (1) For the purposes of providing needed  
12 capital improvements to increase behavioral health services in  
13 community settings, the state finance committee is authorized to  
14 issue general obligation bonds of the state of Washington in the sum  
15 of five hundred million dollars, or so much thereof as may be  
16 required, to finance all or a part of the cost of these projects and  
17 all costs incidental thereto. The bonds issued under the authority of  
18 this section shall be known as Washington behavioral health bonds.

19 (2) Bonds authorized in this section must be sold in the manner,  
20 at the time or times, in amounts, and at such prices as the state  
21 finance committee determines.

22 (3) The authorization to issue bonds contained in this chapter  
23 does not expire until the full authorization has been issued.

24 (4) No bonds authorized in this section may be offered for sale  
25 without prior legislative appropriation of the net proceeds of the  
26 sale of the bonds.

27 NEW SECTION. **Sec. 202.** (1) The proceeds from the sale of bonds  
28 authorized in section 201 of this act shall be deposited in the  
29 community behavioral health bond account, created in section 402 of  
30 this act.

31 (2) If the state finance committee deems it necessary or  
32 advantageous to issue taxable bonds in order to comply with federal  
33 internal revenue service rules and regulations pertaining to the use  
34 of nontaxable bond proceeds or in order to reduce the total financing  
35 costs for bonds issued, the proceeds of taxable bonds shall be  
36 transferred to the community behavioral health taxable bond account  
37 created in section 401 of this act. The state treasurer shall submit

1 written notice to the director of financial management if it is  
2 determined that any transfer to the community behavioral health  
3 taxable bond account is necessary or that a transfer from the  
4 community behavioral health taxable bond account to the community  
5 behavioral health bond account may be made.

6 NEW SECTION. **Sec. 203.** (1) The nondebt-limit general fund bond  
7 retirement account must be used for the payment of the principal of  
8 and interest on the bonds authorized in section 201 of this act.

9 (2) The state finance committee must, on or before June 30th of  
10 each year, certify to the state treasurer the amount needed in the  
11 ensuing twelve months to meet the bond retirement and interest  
12 requirements on the bonds authorized in section 201 of this act.

13 (3) On each date on which any interest or principal and interest  
14 payment is due on bonds issued for the purposes of section 201 of  
15 this act, the state treasurer shall withdraw from any general state  
16 revenues received in the state treasury and deposit in the nondebt-  
17 limit general fund bond retirement account an amount equal to the  
18 amount certified by the state finance committee to be due on the  
19 payment date.

20 NEW SECTION. **Sec. 204.** (1) Bonds issued under section 201 of  
21 this act must state that they are a general obligation of the state  
22 of Washington, must pledge the full faith and credit of the state to  
23 the payment of the principal thereof and the interest thereon, and  
24 must contain an unconditional promise to pay the principal and  
25 interest as the same shall become due.

26 (2) The owner and holder of each of the bonds or the trustee for  
27 the owner and holder of any of the bonds may by mandamus or other  
28 appropriate proceeding require the transfer and payment of funds as  
29 directed in this section.

30 NEW SECTION. **Sec. 205.** The legislature may provide additional  
31 means for raising moneys for the payment of the principal of and  
32 interest on the bonds authorized in section 201 of this act.

33 NEW SECTION. **Sec. 206.** The state finance committee is  
34 authorized to prescribe the form, terms, conditions, and covenants of  
35 the bonds provided for in this chapter, the time or times of sale of

1 all or any portion of them, and the conditions and manner of their  
2 sale and issuance.

3 **PART III**  
4 **REFERENDUM PROVISIONS**

5 NEW SECTION. **Sec. 301.** (1) The secretary of state shall submit  
6 section 201 of this act to the people for their adoption and  
7 ratification, or rejection, at the next general election to be held  
8 in this state, in accordance with Article II, section 1 and Article  
9 VIII, section 3 of the state Constitution and the laws adopted to  
10 facilitate their operation.

11 (2) If the people ratify section 201 of this act as specified  
12 under subsection (1) of this section, revenues generated shall be  
13 spent as detailed in this act.

14 (3) Pursuant to RCW 29A.72.050(6), the statement of subject and  
15 concise description for the ballot title shall read: "The legislature  
16 has passed Senate Bill No. . . . (this act), concerning community-  
17 based behavioral health facilities throughout the state. This bill  
18 would authorize bonds to expand community-based behavioral health  
19 facilities to serve and treat the mentally ill."

20 **PART IV**  
21 **TECHNICAL PROVISIONS**

22 NEW SECTION. **Sec. 401.** The community behavioral health taxable  
23 bond account is created in the state treasury. All receipts from  
24 direct appropriations from the legislature or moneys directed to the  
25 account from any other source must be deposited in the account.  
26 Moneys in the account may be spent only after appropriation. The  
27 account is intended to fund projects using taxable bonds.  
28 Expenditures from the account are for community-based mental health  
29 facilities, including but not limited to, evaluation and treatment  
30 centers, crisis triage and stabilization centers, less restrictive  
31 alternative step-down beds, enhanced service facilities,  
32 detoxification centers, transitional and long-term housing, and  
33 residential treatment centers.

34 NEW SECTION. **Sec. 402.** The community behavioral health bond  
35 account is created in the state treasury. All receipts from direct

1 appropriations from the legislature or moneys directed to the account  
2 from any other source must be deposited in the account. Moneys in the  
3 account may be spent only after appropriation. The account is  
4 intended to fund projects using tax exempt bonds. Expenditures from  
5 the account are for community-based mental health facilities  
6 including, but not limited to, evaluation and treatment centers,  
7 crisis triage and stabilization centers, less restrictive alternative  
8 step-down beds, enhanced service facilities, detoxification centers,  
9 transitional and long-term housing, and residential treatment  
10 centers.

11 NEW SECTION. **Sec. 403.** Sections 101 through 206, 401, and 402  
12 of this act constitute a new chapter in Title 43 RCW.

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