

SHB 1101 - S COMM AMD

By Committee on Ways & Means

OUT OF ORDER 04/27/2019

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 and 2019-2021 fiscal biennia, and all costs incidental  
7 thereto, the state finance committee is authorized to issue general  
8 obligation bonds of the state of Washington in the sum of three  
9 billion sixty million five hundred forty-nine thousand dollars, or as  
10 much thereof as may be required, to finance these projects and all  
11 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 eight hundred seventy-eight million five hundred  
21 thirty-four thousand dollars to remain in the state building  
22 construction account created by RCW 43.83.020;

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

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

18 (2)(a) The treasurer shall transfer bond proceeds deposited in  
19 the state building construction account into the outdoor recreation  
20 account created by RCW 79A.25.060, the habitat conservation account  
21 created by RCW 79A.15.020, the farm and forest account created by RCW  
22 79A.15.130, and the early learning facilities development account  
23 created by RCW 43.31.569, at various times and in various amounts  
24 necessary to support authorized expenditures from those accounts.

25 (b) The treasurer shall transfer bond proceeds deposited in the  
26 state taxable building construction account into the early learning  
27 facilities revolving account created by RCW 43.31.569, at various  
28 times and in various amounts necessary to support authorized  
29 expenditures from that account.

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

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

38 (2) The state finance committee shall, on or before June 30th of  
39 each year, certify to the state treasurer the amount needed in the

1 ensuing twelve months to meet the bond retirement and interest  
2 requirements on the bonds authorized in section 1 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) and  
5 (2) of this act the state treasurer shall withdraw from any general  
6 state revenues received in the state treasury and deposit in the  
7 debt-limit general fund bond retirement account an amount equal to  
8 the amount certified by the state finance committee to be due on the  
9 payment date.

10 NEW SECTION. **Sec. 4.** (1) Bonds issued under section 1 of this  
11 act shall state that they are a general obligation of the state of  
12 Washington, shall pledge the full faith and credit of the state to  
13 the payment of the principal thereof and the interest thereon, and  
14 shall contain an unconditional promise to pay the principal and  
15 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 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act are each  
26 added to chapter 43.100A RCW.

27 NEW SECTION. **Sec. 7.** If any provision of this act or its  
28 application to any person or circumstance is held invalid, the  
29 remainder of the act or the application of the provision to other  
30 persons or circumstances is not affected.

31 NEW SECTION. **Sec. 8.** This act is necessary for the immediate  
32 preservation of the public peace, health, or safety, or support of  
33 the state government and its existing public institutions, and takes  
34 effect immediately."

**SHB 1101** - S COMM AMD  
By Committee on Ways & Means

**OUT OF ORDER 04/27/2019**

1       On page 1, line 2 of the title, after "accounts;" strike the  
2 remainder of the title and insert "adding new sections to chapter  
3 43.100A RCW; and declaring an emergency."

**--- END ---**