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**SENATE BILL 5898**

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**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** Senators Lias, King, and Saldaña; by request of State Treasurer  
Read first time 01/19/22. Referred to Committee on Transportation.

1 AN ACT Relating to the use of vehicle-related fees to fulfill  
2 certain state general obligation bonds; amending RCW 47.10.883,  
3 47.10.884, 47.10.885, 47.10.876, 47.10.877, 47.10.878, 47.10.864,  
4 47.10.865, 47.10.866, 47.10.846, 47.10.847, 47.10.848, 47.10.838,  
5 47.10.839, 47.10.841, 47.26.504, 47.26.505, 47.10.822, 47.10.823,  
6 47.10.824, 47.10.815, 47.10.816, 47.10.817, 47.02.160, 47.02.170,  
7 47.02.190, 47.26.424, 47.26.4252, 47.26.4254, 47.26.4255, and  
8 39.53.120; adding a new section to chapter 47.10 RCW; and creating  
9 new sections.

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

11 NEW SECTION. **Sec. 1.** The legislature recognizes the importance  
12 of transportation electrification and the need to maintain stable  
13 funding for highway bonds as the use of carbon intensive motor fuels  
14 within the state is reduced. Therefore, it is the intent of the  
15 legislature to supplement certain existing highway bond authorization  
16 acts to prepare for and respond to changes in revenue derived from  
17 state excise taxes on fuel by providing an additional pledge of  
18 vehicle-related fees for highway bonds issued or refunded subsequent  
19 to the effective date of this section and providing funding from  
20 vehicle-related fees for bond retirement and interest on such highway  
21 bonds.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 47.10  
2 RCW to read as follows:

3        For the purposes of this act, the following definitions apply:

4        (1) "Highway bond act" means any of the following bond  
5 authorization acts that authorize the issuance of general obligation  
6 bonds of the state of Washington for highway purposes the principal  
7 of and interest on which are first payable from state excise taxes on  
8 fuel imposed by chapter 82.38 RCW: Chapter 83, Laws of 1967, 1st ex.  
9 sess.; chapter 293, Laws of 1990; chapter 431, Laws of 1993; chapter  
10 432, Laws of 1993; chapter 440, Laws of 1993; chapter 15, Laws of  
11 1995, 2nd sp. sess.; chapter 321, Laws of 1998; chapter 147, Laws of  
12 2003; chapter 315, Laws of 2005; and chapter 498, Laws of 2009.

13        (2) "Highway bonds" means any bonds issued by the state of  
14 Washington pursuant to a highway bond act.

15        (3) "Vehicle-related fees" means vehicle-related fees imposed  
16 under Title 46 RCW that constitute license fees for motor vehicles  
17 required to be used for highway purposes.

18        **Sec. 3.**    RCW 47.10.883 and 2013 c 225 s 628 are each amended to  
19 read as follows:

20        Bonds issued under the authority of this section and RCW  
21 47.10.879, 47.10.884, and 47.10.885 must distinctly state that they  
22 are a general obligation of the state of Washington, must pledge the  
23 full faith and credit of the state to the payment of the principal  
24 thereof and the interest thereon, and must contain an unconditional  
25 promise to pay such principal and interest as the same becomes due.  
26 The principal of and interest on the bonds must be first payable in  
27 the manner provided in this section and RCW 47.10.879, 47.10.884, and  
28 47.10.885 from toll revenue and then from proceeds of excise taxes on  
29 motor vehicle and special fuels and vehicle-related fees to the  
30 extent toll revenue is not available for that purpose. Toll revenue  
31 and the state excise taxes on motor vehicle and special fuels imposed  
32 by chapter 82.38 RCW and vehicle-related fees are hereby pledged to  
33 the payment of any bonds and the interest thereon issued under the  
34 authority of this section and RCW 47.10.879, 47.10.884, and  
35 47.10.885, and the legislature agrees to continue to impose these  
36 toll charges on the state route number 520 corridor, and on any other  
37 eligible toll facility designated by the legislature and on which the  
38 imposition of tolls is authorized by the legislature in respect of  
39 the bonds, and excise taxes on motor vehicle and special fuels and

1 vehicle-related fees in amounts sufficient to pay, when due, the  
2 principal and interest on all bonds issued under the authority of  
3 this section and RCW 47.10.879, 47.10.884, and 47.10.885.

4 **Sec. 4.** RCW 47.10.884 and 2009 c 498 s 13 are each amended to  
5 read as follows:

6 For bonds issued under the authority of this section and RCW  
7 47.10.879, 47.10.883, and 47.10.885, the state treasurer shall first  
8 withdraw toll revenue from the state route number 520 corridor  
9 account created under chapter 472, Laws of 2009, and, to the extent  
10 toll revenue is not available, excise taxes on motor vehicle and  
11 special fuels and vehicle-related fees in the motor vehicle fund and  
12 deposit in the toll facility bond retirement account, or a special  
13 subaccount in the account, such amounts, and at such times, as are  
14 required by the bond proceedings.

15 Any excise taxes on motor vehicle and special fuels and vehicle-  
16 related fees required for bond retirement or interest on the bonds  
17 authorized by this section and RCW 47.10.879, 47.10.883, and  
18 47.10.885 shall be taken from that portion of the motor vehicle fund  
19 that results from the imposition of excise taxes on motor vehicle and  
20 special fuels and vehicle-related fees and which is, or may be,  
21 appropriated to the department for state highway purposes. Funds  
22 required shall never constitute a charge against any other  
23 allocations of motor vehicle fuel and special fuel tax revenues and  
24 vehicle-related fees to the state, counties, cities, and towns unless  
25 the amount arising from excise taxes on motor vehicle and special  
26 fuels and vehicle-related fees distributed to the state in the motor  
27 vehicle fund proves insufficient to meet the requirements for bond  
28 retirement or interest on any such bonds.

29 Any payments for bond retirement or interest on the bonds taken  
30 from other revenues from the motor vehicle fuel or special fuel taxes  
31 or vehicle-related fees that are distributable to the state,  
32 counties, cities, and towns shall be repaid from available toll  
33 revenue in the manner provided in the bond proceedings or, if toll  
34 revenue is not available for that purpose, from the first excise  
35 taxes on motor vehicle and special fuels and vehicle-related fees  
36 distributed to the motor vehicle fund not required for bond  
37 retirement or interest on the bonds. Any excise taxes on motor  
38 vehicle and special fuels and vehicle-related fees required for bond  
39 retirement or interest on the bonds authorized by this section and

1 RCW 47.10.879, 47.10.883, and 47.10.885 shall be reimbursed to the  
2 motor vehicle fund from toll revenue in the manner and with the  
3 priority specified in the bond proceedings.

4 **Sec. 5.** RCW 47.10.885 and 2009 c 498 s 14 are each amended to  
5 read as follows:

6 Bonds issued under the authority of RCW 47.10.879, 47.10.883, and  
7 47.10.884 and this section and any other general obligation bonds of  
8 the state of Washington that have been or that may be authorized and  
9 that pledge motor vehicle and special fuels excise taxes and vehicle-  
10 related fees for the payment of principal and interest thereon shall  
11 be an equal charge against the revenues from such motor vehicle and  
12 special fuels excise taxes and vehicle-related fees.

13 **Sec. 6.** RCW 47.10.876 and 2013 c 225 s 627 are each amended to  
14 read as follows:

15 Bonds issued under the authority of RCW 47.10.873 through  
16 47.10.878 must distinctly state that they are a general obligation of  
17 the state of Washington, must pledge the full faith and credit of the  
18 state to the payment of the principal thereof and the interest  
19 thereon, and must contain an unconditional promise to pay such  
20 principal and interest as the same becomes due. The principal and  
21 interest on the bonds must be first payable in the manner provided in  
22 RCW 47.10.873 through 47.10.878 from the proceeds of the state excise  
23 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
24 and vehicle-related fees. Proceeds of these excise taxes and vehicle-  
25 related fees are hereby pledged to the payment of any bonds and the  
26 interest thereon issued under the authority of RCW 47.10.873 through  
27 47.10.878, and the legislature agrees to continue to impose these  
28 excise taxes on motor vehicle and special fuels and vehicle-related  
29 fees in amounts sufficient to pay, when due, the principal and  
30 interest on all bonds issued under the authority of RCW 47.10.873  
31 through 47.10.878.

32 **Sec. 7.** RCW 47.10.877 and 2007 c 519 s 5 are each amended to  
33 read as follows:

34 Both principal and interest on the bonds issued for the purposes  
35 of RCW 47.10.873 through 47.10.878 shall be payable from the highway  
36 bond retirement fund. The state finance committee may provide that a  
37 special account be created in the fund to facilitate payment of the

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

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

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

29 **Sec. 8.** RCW 47.10.878 and 2005 c 315 s 6 are each amended to  
30 read as follows:

31 Bonds issued under the authority of RCW 47.10.873 through  
32 47.10.877 and this section and any other general obligation bonds of  
33 the state of Washington that have been or that may be authorized and  
34 that pledge motor vehicle and special fuels excise taxes and vehicle-  
35 related fees for the payment of principal and interest thereon shall  
36 be an equal charge against the revenues from such motor vehicle and  
37 special fuels excise taxes and vehicle-related fees.

1       **Sec. 9.** RCW 47.10.864 and 2013 c 225 s 626 are each amended to  
2 read as follows:

3       Bonds issued under the authority of RCW 47.10.861 through  
4 47.10.866 must distinctly state that they are a general obligation of  
5 the state of Washington, must pledge the full faith and credit of the  
6 state to the payment of the principal thereof and the interest  
7 thereon, and must contain an unconditional promise to pay such  
8 principal and interest as the same becomes due. The principal and  
9 interest on the bonds must be first payable in the manner provided in  
10 RCW 47.10.861 through 47.10.866 from the proceeds of the state excise  
11 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
12 and vehicle-related fees. Proceeds of these excise taxes and vehicle-  
13 related fees are hereby pledged to the payment of any bonds and the  
14 interest thereon issued under the authority of RCW 47.10.861 through  
15 47.10.866, and the legislature agrees to continue to impose these  
16 excise taxes on motor vehicle and special fuels and vehicle-related  
17 fees in amounts sufficient to pay, when due, the principal and  
18 interest on all bonds issued under the authority of RCW 47.10.861  
19 through 47.10.866.

20       **Sec. 10.** RCW 47.10.865 and 2003 c 147 s 5 are each amended to  
21 read as follows:

22       Both principal and interest on the bonds issued for the purposes  
23 of RCW 47.10.861 through 47.10.866 shall be payable from the highway  
24 bond retirement fund. The state finance committee may provide that a  
25 special account be created in the fund to facilitate payment of the  
26 principal and interest. The state finance committee shall, on or  
27 before June 30th of each year, certify to the state treasurer the  
28 amount required for principal and interest on the bonds in accordance  
29 with the bond proceedings. The state treasurer shall withdraw  
30 revenues from the transportation 2003 account (nickel account) in the  
31 motor vehicle fund and deposit in the highway bond retirement fund,  
32 or a special account in the fund, such amounts, and at such times, as  
33 are required by the bond proceedings.

34       Any funds required for bond retirement or interest on the bonds  
35 authorized by RCW 47.10.861 through 47.10.866 shall be taken from  
36 that portion of the motor vehicle fund that results from the  
37 imposition of excise taxes on motor vehicle and special fuels and  
38 vehicle-related fees and that is distributed to the transportation  
39 2003 account (nickel account) in the motor vehicle fund. Funds

1 required shall never constitute a charge against any other  
2 allocations of motor vehicle fuel and special fuel tax revenues and  
3 vehicle-related fees to the state, counties, cities, and towns unless  
4 the amount arising from excise taxes on motor vehicle and special  
5 fuels and vehicle-related fees distributed to the transportation 2003  
6 account (nickel account) proves insufficient to meet the requirements  
7 for bond retirement or interest on any such bonds.

8 Any payments for bond retirement or interest on the bonds taken  
9 from other revenues from the motor vehicle fuel or special fuel taxes  
10 and vehicle-related fees that are distributable to the state,  
11 counties, cities, and towns shall be repaid from the first revenues  
12 from the motor vehicle fuel or special fuel taxes or vehicle-related  
13 fees distributed to the transportation 2003 account (nickel account)  
14 not required for bond retirement or interest on the bonds.

15 **Sec. 11.** RCW 47.10.866 and 2003 c 147 s 6 are each amended to  
16 read as follows:

17 Bonds issued under the authority of RCW 47.10.861 through  
18 47.10.865 and this section and any other general obligation bonds of  
19 the state of Washington that have been or that may be authorized and  
20 that pledge motor vehicle and special fuels excise taxes and vehicle-  
21 related fees for the payment of principal and interest thereon shall  
22 be an equal charge against the revenues from such motor vehicle and  
23 special fuels excise taxes and vehicle-related fees.

24 **Sec. 12.** RCW 47.10.846 and 2013 c 225 s 625 are each amended to  
25 read as follows:

26 Bonds issued under the authority of RCW 47.10.843 through  
27 47.10.848 must distinctly state that they are a general obligation of  
28 the state of Washington, must pledge the full faith and credit of the  
29 state to the payment of the principal thereof and the interest  
30 thereon, and must contain an unconditional promise to pay such  
31 principal and interest as the same becomes due. The principal and  
32 interest on the bonds must be first payable in the manner provided in  
33 RCW 47.10.843 through 47.10.848 from the proceeds of the state excise  
34 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
35 and vehicle-related fees. Proceeds of such excise taxes and vehicle-  
36 related fees are hereby pledged to the payment of any bonds and the  
37 interest thereon issued under the authority of RCW 47.10.843 through  
38 47.10.848, and the legislature agrees to continue to impose these

1 excise taxes on motor vehicle and special fuels and vehicle-related  
2 fees in amounts sufficient to pay, when due, the principal and  
3 interest on all bonds issued under the authority of RCW 47.10.843  
4 through 47.10.848.

5 **Sec. 13.** RCW 47.10.847 and 1998 c 321 s 20 are each amended to  
6 read as follows:

7 Both principal and interest on the bonds issued for the purposes  
8 of RCW 47.10.843 through 47.10.848 shall be payable from the highway  
9 bond retirement fund. The state finance committee may provide that a  
10 special account be created in the fund to facilitate payment of the  
11 principal and interest. The state finance committee shall, on or  
12 before June 30th of each year, certify to the state treasurer the  
13 amount required for principal and interest on the bonds in accordance  
14 with the bond proceedings. The state treasurer shall withdraw  
15 revenues from the motor vehicle fund and deposit in the highway bond  
16 retirement fund, or a special account in the fund, such amounts, and  
17 at such times, as are required by the bond proceedings.

18 Any funds required for bond retirement or interest on the bonds  
19 authorized by RCW 47.10.843 through 47.10.848 shall be taken from  
20 that portion of the motor vehicle fund that results from the  
21 imposition of excise taxes on motor vehicle and special fuels and  
22 vehicle-related fees and which is, or may be, appropriated to the  
23 department of transportation for state highway purposes. Funds  
24 required shall never constitute a charge against any other  
25 allocations of motor vehicle fuel and special fuel tax revenues and  
26 vehicle-related fees to the state, counties, cities and towns unless  
27 the amount arising from excise taxes on motor vehicle and special  
28 fuels and vehicle-related fees distributed to the state in the motor  
29 vehicle fund proves insufficient to meet the requirements for bond  
30 retirement or interest on any such bonds.

31 Any payments for bond retirement or interest on the bonds taken  
32 from other revenues from the motor vehicle fuel or special fuel taxes  
33 and vehicle-related fees that are distributable to the state,  
34 counties, cities, and towns, shall be repaid from the first revenues  
35 from the motor vehicle fuel or special fuel taxes or vehicle-related  
36 fees distributed to the motor vehicle fund not required for bond  
37 retirement or interest on the bonds.



1       **Sec. 14.** RCW 47.10.848 and 1998 c 321 s 21 are each amended to  
2 read as follows:

3       Bonds issued under the authority of RCW 47.10.843 through  
4 47.10.847 and this section and any other general obligation bonds of  
5 the state of Washington that have been or that may be authorized and  
6 that pledge motor vehicle and special fuels excise taxes and vehicle-  
7 related fees for the payment of principal and interest thereon shall  
8 be an equal charge against the revenues from such motor vehicle and  
9 special fuels excise taxes and vehicle-related fees.

10       **Sec. 15.** RCW 47.10.838 and 2013 c 225 s 624 are each amended to  
11 read as follows:

12       (1) Bonds issued under the authority of RCW 47.10.834 through  
13 47.10.841 must distinctly state that they are a general obligation of  
14 the state of Washington, must pledge the full faith and credit of the  
15 state to the payment of the principal thereof and the interest  
16 thereon, and must contain an unconditional promise to pay such  
17 principal and interest as the same becomes due.

18       (2) The principal and interest on the bonds issued for the  
19 purposes enumerated in RCW 47.10.836 must be first payable in the  
20 manner provided in RCW 47.10.834 through 47.10.841 from the proceeds  
21 of the state excise taxes on motor vehicle and special fuels imposed  
22 by chapter 82.38 RCW and vehicle-related fees. Proceeds of those  
23 excise taxes and vehicle-related fees are pledged to the payment of  
24 any bonds and the interest thereon issued under the authority of RCW  
25 47.10.834 through 47.10.841, and the legislature agrees to continue  
26 to impose these excise taxes on motor vehicle and special fuels and  
27 vehicle-related fees in amounts sufficient to pay, when due, the  
28 principal and interest on all bonds issued under the authority of RCW  
29 47.10.834 through 47.10.841.

30       **Sec. 16.** RCW 47.10.839 and 1995 2nd sp.s. c 15 s 6 are each  
31 amended to read as follows:

32       (1) Both principal and interest on the bonds issued for the  
33 purposes of RCW 47.10.834 through 47.10.841 are payable from the  
34 highway bond retirement fund.

35       (2) The state finance committee shall, on or before June 30th of  
36 each year certify to the state treasurer the amount required for  
37 principal and interest on the bonds issued for the purposes specified  
38 in RCW 47.10.836 in accordance with the bond proceedings. The state

1 treasurer shall withdraw revenues from the motor vehicle fund and  
2 deposit into the highway bond retirement fund such amounts, and at  
3 such times, as are required by the bond proceedings.

4 (3) Any funds required for bond retirement or interest on the  
5 bonds authorized by RCW 47.10.834 through 47.10.841 shall be taken  
6 from that portion of the motor vehicle fund that results from the  
7 imposition of excise taxes on motor vehicle and special fuels and  
8 vehicle-related fees which is, or may be appropriated to the  
9 department of transportation for state highway purposes. Funds  
10 required shall never constitute a charge against any other  
11 allocations of motor vehicle fuel and special fuel tax revenues and  
12 vehicle-related fees to the state, counties, cities, or towns unless  
13 the amount arising from excise taxes on motor vehicle and special  
14 fuels and vehicle-related fees distributed to the state in the motor  
15 vehicle fund proves insufficient to meet the requirements for bond  
16 retirement or interest on any such bonds.

17 (4) Any payments for bond retirement or interest on the bonds  
18 taken from other revenues from the motor vehicle fuel and special  
19 fuel taxes and vehicle-related fees that are distributable to the  
20 state, counties, cities, or towns shall be repaid from the first  
21 revenues from the motor vehicle fuel or special fuel taxes or  
22 vehicle-related fees distributed to the motor vehicle fund not  
23 required for bond retirement or interest on the bonds.

24 **Sec. 17.** RCW 47.10.841 and 1995 2nd sp.s. c 15 s 7 are each  
25 amended to read as follows:

26 Bonds issued under the authority of RCW 47.10.834 through  
27 47.10.839 and this section and any other general obligation bonds of  
28 the state of Washington that have been or that may be authorized and  
29 that pledge motor vehicle and special fuels taxes and vehicle-related  
30 fees for the payment of principal and interest thereon are an equal  
31 charge against the revenues from the motor vehicle and special fuels  
32 excise taxes and vehicle-related fees.

33 **Sec. 18.** RCW 47.26.504 and 2013 c 225 s 633 are each amended to  
34 read as follows:

35 Bonds issued under the provisions of RCW 47.26.500 through  
36 47.26.507 must distinctly state that they are a general obligation of  
37 the state of Washington, must pledge the full faith and credit of the  
38 state to the payment of the principal thereof and the interest

1 thereon, and must contain an unconditional promise to pay such  
2 principal and interest as the same becomes due. The principal and  
3 interest on such bonds must be first payable in the manner provided  
4 in RCW 47.26.500 through 47.26.507 from the proceeds of state excise  
5 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
6 and vehicle-related fees. The proceeds of such excise taxes and  
7 vehicle-related fees are hereby pledged to the payment of any such  
8 bonds and the interest thereon, and the legislature hereby agrees to  
9 continue to impose the same excise taxes on motor vehicle and special  
10 fuels and vehicle-related fees in amounts sufficient to pay, when  
11 due, the principal and interest on all such bonds.

12 **Sec. 19.** RCW 47.26.505 and 1999 sp.s. c 1 s 612 are each amended  
13 to read as follows:

14 Any funds required to repay such bonds, or the interest thereon  
15 when due, shall be taken from that portion of the motor vehicle fund  
16 which results from the imposition of excise taxes on motor vehicle  
17 and special fuels and which is distributed to the transportation  
18 improvement account in the motor vehicle fund under RCW  
19 46.68.090(~~((1)(h))~~) (2)(f) and vehicle-related fees in the motor  
20 vehicle fund, and shall never constitute a charge against any  
21 allocations of any other such funds in the motor vehicle fund to the  
22 state, counties, cities, and towns unless and until the amount of the  
23 motor vehicle fund arising from vehicle-related fees and the excise  
24 tax on motor vehicle and special fuels and distributed to the  
25 transportation improvement account proves insufficient to meet the  
26 requirements for bond retirement or interest on any such bonds.

27 **Sec. 20.** RCW 47.10.822 and 2013 c 225 s 623 are each amended to  
28 read as follows:

29 Bonds issued under the authority of RCW 47.10.819 through  
30 47.10.824 must distinctly state that they are a general obligation of  
31 the state of Washington, must pledge the full faith and credit of the  
32 state to the payment of the principal thereof and the interest  
33 thereon, and must contain an unconditional promise to pay such  
34 principal and interest as the same becomes due. The principal and  
35 interest on the bonds must be first payable in the manner provided in  
36 RCW 47.10.819 through 47.10.824 from the proceeds of the state excise  
37 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
38 and vehicle-related fees. Proceeds of such excise taxes and vehicle-

1 related fees are hereby pledged to the payment of any bonds and the  
2 interest thereon issued under the authority of RCW 47.10.819 through  
3 47.10.824, and the legislature agrees to continue to impose these  
4 excise taxes on motor vehicle and special fuels and vehicle-related  
5 fees in amounts sufficient to pay, when due, the principal and  
6 interest on all bonds issued under the authority of RCW 47.10.819  
7 through 47.10.824.

8 **Sec. 21.** RCW 47.10.823 and 1993 c 432 s 5 are each amended to  
9 read as follows:

10 Both principal and interest on the bonds issued for the purposes  
11 of RCW 47.10.819 through 47.10.824 shall be payable from the highway  
12 bond retirement fund. The state finance committee may provide that a  
13 special account be created in the fund to facilitate payment of the  
14 principal and interest. The state finance committee shall, on or  
15 before June 30th of each year, certify to the state treasurer the  
16 amount required for principal and interest on the bonds in accordance  
17 with the bond proceedings. The state treasurer shall withdraw  
18 revenues from the motor vehicle fund and deposit in the highway bond  
19 retirement fund, or a special account in the fund, such amounts, and  
20 at such times, as are required by the bond proceedings.

21 Any funds required for bond retirement or interest on the bonds  
22 authorized by RCW 47.10.819 through 47.10.824 shall be taken from  
23 that portion of the motor vehicle fund that results from the  
24 imposition of excise taxes on motor vehicle and special fuels and  
25 vehicle-related fees and which is, or may be appropriated to the  
26 department of transportation for state highway purposes. Funds  
27 required shall never constitute a charge against any other  
28 allocations of motor vehicle fuel and special fuel tax revenues and  
29 vehicle-related fees to the state, counties, cities, and towns unless  
30 the amount arising from excise taxes on motor vehicle and special  
31 fuels and vehicle-related fees distributed to the state in the motor  
32 vehicle fund proves insufficient to meet the requirements for bond  
33 retirement or interest on any such bonds.

34 Any payments for bond retirement or interest on the bonds taken  
35 from other revenues from the motor vehicle fuel or special fuel taxes  
36 and vehicle-related fees that are distributed to the state, counties,  
37 cities, and towns, shall be repaid from the first revenues from the  
38 motor vehicle fuel or special fuel taxes or vehicle-related fees

1 distributed to the motor vehicle fund not required for bond  
2 retirement or interest on the bonds.

3 **Sec. 22.** RCW 47.10.824 and 1993 c 432 s 6 are each amended to  
4 read as follows:

5 Bonds issued under the authority of RCW 47.10.819 through  
6 47.10.823 and this section and any other general obligation bonds of  
7 the state of Washington that have been or that may be authorized and  
8 that pledge motor vehicle and special fuels excise taxes and vehicle-  
9 related fees for the payment of principal and interest thereon shall  
10 be an equal charge against the revenues from such motor vehicle and  
11 special fuels excise taxes and vehicle-related fees.

12 **Sec. 23.** RCW 47.10.815 and 2013 c 225 s 622 are each amended to  
13 read as follows:

14 Bonds issued under the authority of RCW 47.10.812 through  
15 47.10.817 must distinctly state that they are a general obligation of  
16 the state of Washington, must pledge the full faith and credit of the  
17 state to the payment of the principal thereof and the interest  
18 thereon, and must contain an unconditional promise to pay such  
19 principal and interest as the same becomes due. The principal and  
20 interest on the bonds must be first payable in the manner provided in  
21 RCW 47.10.812 through 47.10.817 from the proceeds of the state excise  
22 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
23 and vehicle-related fees. Proceeds of such excise taxes and vehicle-  
24 related fees are hereby pledged to the payment of any bonds and the  
25 interest thereon issued under the authority of RCW 47.10.812 through  
26 47.10.817, and the legislature agrees to continue to impose these  
27 excise taxes on motor vehicle and special fuels and vehicle-related  
28 fees in amounts sufficient to pay, when due, the principal and  
29 interest on all bonds issued under the authority of RCW 47.10.812  
30 through 47.10.817.

31 **Sec. 24.** RCW 47.10.816 and 1993 c 431 s 5 are each amended to  
32 read as follows:

33 Both principal and interest on the bonds issued for the purposes  
34 of RCW 47.10.812 through 47.10.817 shall be payable from the highway  
35 bond retirement fund. The state finance committee may provide that a  
36 special account be created in the fund to facilitate payment of the  
37 principal and interest. The state finance committee shall, on or

1 before June 30th of each year, certify to the state treasurer the  
2 amount required for principal and interest on the bonds in accordance  
3 with the bond proceedings. The state treasurer shall withdraw  
4 revenues from the special category C account in the motor vehicle  
5 fund and deposit in the highway bond retirement fund, or a special  
6 account in the fund, such amounts, and at such times, as are required  
7 by the bond proceedings.

8 Any funds required for bond retirement or interest on the bonds  
9 authorized by RCW 47.10.812 through 47.10.817 shall be taken from  
10 that portion of the motor vehicle fund that results from the  
11 imposition of excise taxes on motor vehicle and special fuels and  
12 that is distributed to the special category C account in the motor  
13 vehicle fund and vehicle-related fees in the motor vehicle fund.  
14 Funds required shall never constitute a charge against any other  
15 allocations of vehicle-related fees and motor vehicle fuel and  
16 special fuel tax revenues to the state, counties, cities and towns  
17 unless the amount arising from vehicle-related fees and excise taxes  
18 on motor vehicle and special fuels distributed to the special  
19 category C account proves insufficient to meet the requirements for  
20 bond retirement or interest on any such bonds.

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

28 **Sec. 25.** RCW 47.10.817 and 1993 c 431 s 6 are each amended to  
29 read as follows:

30 Bonds issued under the authority of RCW 47.10.812 through  
31 47.10.816 and this section and any other general obligation bonds of  
32 the state of Washington that have been or that may be authorized and  
33 that pledge motor vehicle and special fuels excise taxes and vehicle-  
34 related fees for the payment of principal and interest thereon shall  
35 be an equal charge against the revenues from such motor vehicle and  
36 special fuels excise taxes and vehicle-related fees.

37 **Sec. 26.** RCW 47.02.160 and 2013 c 225 s 611 are each amended to  
38 read as follows:

1 Bonds issued under the authority of RCW 47.02.120 through  
2 47.02.190 must distinctly state that they are a general obligation of  
3 the state of Washington, must pledge the full faith and credit of the  
4 state to the payment of the principal thereof and the interest  
5 thereon, and must contain an unconditional promise to pay such  
6 principal and interest as the same becomes due. The principal and  
7 interest on the bonds must be first payable in the manner provided in  
8 RCW 47.02.120 through 47.02.190 from the proceeds of the state excise  
9 taxes on motor vehicle and special fuels imposed by chapter 82.38 RCW  
10 and vehicle-related fees. Proceeds of such excise taxes and vehicle-  
11 related fees are hereby pledged to the payment of any bonds and the  
12 interest thereon issued under the authority of RCW 47.02.120 through  
13 47.02.190, and the legislature agrees to continue to impose these  
14 excise taxes on motor vehicle and special fuels and vehicle-related  
15 fees in amounts sufficient to pay, when due, the principal and  
16 interest on all bonds issued under the authority of RCW 47.02.120  
17 through 47.02.190.

18 **Sec. 27.** RCW 47.02.170 and 1990 c 293 s 6 are each amended to  
19 read as follows:

20 Both principal and interest on the bonds issued for the purposes  
21 of RCW 47.02.120 through 47.02.190 shall be payable from the highway  
22 bond retirement fund. The state finance committee may provide that a  
23 special account be created in the fund to facilitate payment of the  
24 principal and interest. The state finance committee shall, on or  
25 before June 30th of each year, certify to the state treasurer the  
26 amount required for principal and interest on the bonds in accordance  
27 with the bond proceedings. The state treasurer shall withdraw  
28 revenues from the motor vehicle fund and deposit in the highway bond  
29 retirement fund, or a special account in the fund, such amounts, and  
30 at such times, as are required by the bond proceedings.

31 Any funds required for bond retirement or interest on the bonds  
32 authorized by RCW 47.02.120 through 47.02.190 shall be taken from  
33 that portion of the motor vehicle fund that results from the  
34 imposition of excise taxes on motor vehicle and special fuels and  
35 vehicle-related fees and that is distributed to the state under RCW  
36 46.68.130. Funds required shall never constitute a charge against any  
37 other allocations of motor vehicle fuel and special fuel tax revenues  
38 and vehicle-related fees to the state, counties, cities, and towns  
39 unless the amount arising from excise taxes on motor vehicle and

1 special fuels and vehicle-related fees distributed to the state under  
2 RCW 46.68.130 proves insufficient to meet the requirements for bond  
3 retirement or interest on any such bonds.

4 **Sec. 28.** RCW 47.02.190 and 1990 c 293 s 8 are each amended to  
5 read as follows:

6 Bonds issued under the authority of RCW 47.02.120 through  
7 47.02.180 and this section and any other general obligation bonds of  
8 the state of Washington that have been or that may be authorized and  
9 that pledge motor vehicle and special fuels excise taxes and vehicle-  
10 related fees for the payment of principal and interest thereon shall  
11 be an equal charge against the revenues from such motor vehicle and  
12 special fuels excise taxes and vehicle-related fees.

13 **Sec. 29.** RCW 47.26.424 and 2013 c 225 s 630 are each amended to  
14 read as follows:

15 The first authorization bonds, series II bonds, and series III  
16 bonds must distinctly state that they are a general obligation of the  
17 state of Washington, must pledge the full faith and credit of the  
18 state to the payment of the principal thereof and the interest  
19 thereon, and must contain an unconditional promise to pay such  
20 principal and interest as the same becomes due. The principal and  
21 interest on such bonds must be first payable in the manner provided  
22 in RCW 47.26.420 through 47.26.427, 47.26.425, and 47.26.4254 from  
23 the proceeds of state excise taxes on motor vehicle and special fuels  
24 imposed by chapter 82.38 RCW and vehicle-related fees. The proceeds  
25 of such excise taxes and vehicle-related fees are hereby pledged to  
26 the payment of any such bonds and the interest thereon, and the  
27 legislature hereby agrees to continue to impose the same excise taxes  
28 on motor vehicle and special fuels and vehicle-related fees in  
29 amounts sufficient to pay, when due, the principal and interest on  
30 all such bonds.

31 **Sec. 30.** RCW 47.26.4252 and 2013 c 225 s 631 are each amended to  
32 read as follows:

33 Any funds required to repay the authorization of series II bonds  
34 authorized by RCW 47.26.420, as reenacted by section 3, chapter 5,  
35 Laws of 1979, or the interest thereon when due, must first be taken  
36 from that portion of the motor vehicle fund which results from the  
37 imposition of excise taxes on motor vehicle and special fuels imposed



1 by chapter 82.38 RCW and which is distributed to the transportation  
2 improvement account in the motor vehicle fund pursuant to RCW  
3 46.68.090(2)(e), subject, however, to the prior lien of the first  
4 authorization of bonds authorized by RCW 47.26.420, as reenacted by  
5 section 3, chapter 5, Laws of 1979 and vehicle-related fees in the  
6 motor vehicle fund. If the moneys distributed to the transportation  
7 improvement account shall ever be insufficient to repay the first  
8 authorization bonds together with interest thereon, and the series II  
9 bonds or the interest thereon when due, the amount required to make  
10 such payments on such bonds or interest thereon must next be taken  
11 from vehicle-related fees and that portion of the motor vehicle fund  
12 which results from the imposition of excise taxes on motor vehicle  
13 and special fuels and which is distributed to the state, counties,  
14 cities, and towns (~~pursuant to RCW 46.68.090~~). Any payments on such  
15 bonds or interest thereon taken from motor vehicle or special fuel  
16 tax revenues or vehicle-related fees which are distributable to the  
17 state, counties, cities, and towns, must be repaid from the first  
18 moneys distributed to the transportation improvement account not  
19 required for redemption of the first authorization bonds or series II  
20 and series III bonds or interest on those bond issues and vehicle-  
21 related fees in the motor vehicle fund.

22 **Sec. 31.** RCW 47.26.4254 and 2013 c 225 s 632 are each amended to  
23 read as follows:

24 (1) Any funds required to repay series III bonds authorized by  
25 RCW 47.26.420, or the interest thereon, when due must first be taken  
26 from that portion of the motor vehicle fund that results from the  
27 imposition of excise taxes on motor vehicle and special fuels imposed  
28 by chapter 82.38 RCW and that is distributed to the transportation  
29 improvement account in the motor vehicle fund pursuant to RCW  
30 46.68.090(2)(e), subject, however, to the prior lien of the first  
31 authorization of bonds authorized by RCW 47.26.420 and vehicle-  
32 related fees in the motor vehicle fund. If the vehicle-related fees  
33 in the motor vehicle fund and moneys (~~(se)~~) distributed to the  
34 transportation improvement account, after first being applied to  
35 administrative expenses of the transportation improvement board and  
36 to the requirements of bond retirement and payment of interest on  
37 first authorization bonds and series II bonds as provided in RCW  
38 47.26.425 and 47.26.4252, are insufficient to meet the requirements  
39 for bond retirement or interest on any series III bonds, the amount

1 required to make such payments on series III bonds or interest  
2 thereon must next be taken from that portion of the motor vehicle  
3 fund that results from the imposition of excise taxes on motor  
4 vehicle and special fuels and vehicle-related fees and that is  
5 distributed to the state, counties, cities, and towns (~~pursuant to~~  
6 ~~RCW 46.68.090~~), subject, however, to subsection (2) of this section.

7 (2) To the extent that vehicle-related fees in the motor vehicle  
8 fund and moneys (~~se~~) distributed to the transportation improvement  
9 account are insufficient to meet the requirements for bond retirement  
10 or interest on any series III bonds, sixty percent of the amount  
11 required to make such payments when due must first be taken from that  
12 portion of the motor vehicle fund that results from the imposition of  
13 excise taxes on motor vehicle and special fuels and vehicle-related  
14 fees and that is distributed to the state. The remaining forty  
15 percent must first be taken from that portion of the motor vehicle  
16 fund that results from vehicle-related fees and the imposition of  
17 excise taxes on motor vehicle and special fuels and that is  
18 distributed to the cities (~~and~~), towns (~~pursuant to RCW~~  
19 ~~46.68.090(2)(g)~~), and (~~to the~~) counties (~~pursuant to RCW~~  
20 ~~46.68.090(2)(h)~~). Of the counties', cities', and towns' share of any  
21 additional amounts required in each fiscal year, the percentage  
22 thereof to be taken from the counties' distributive share and from  
23 the cities' and towns' distributive share must correspond to the  
24 percentage of funds authorized for specific county projects and for  
25 specific city and town projects, respectively, from the proceeds of  
26 series III bonds, for the period through the first eleven months of  
27 the prior fiscal year as determined by the chair of the  
28 transportation improvement board and reported to the state finance  
29 committee and the state treasurer not later than the first working  
30 day of June.

31 (3) Any payments on such bonds or interest thereon taken from  
32 motor vehicle or special fuel tax revenues or vehicle-related fees  
33 that are distributable to the state, counties, cities, and towns must  
34 be repaid from the first moneys distributed to the transportation  
35 improvement account not required for redemption of the first  
36 authorization bonds, series II bonds, or series III bonds or interest  
37 on these bonds and vehicle-related fees in the motor vehicle fund.

38 **Sec. 32.** RCW 47.26.4255 and 1979 c 5 s 9 are each amended to  
39 read as follows:

1 Except as otherwise provided by statute, the series II bonds  
2 issued under authority of RCW 47.26.420, as reenacted by section 3,  
3 chapter 5, Laws of 1979, the bonds authorized by RCW 47.60.560  
4 through 47.60.640, and any general obligation bonds of the state of  
5 Washington which may be authorized by the forty-sixth legislature or  
6 thereafter and which pledge motor vehicle and special fuel excise  
7 taxes and vehicle-related fees for the payment of principal and  
8 interest thereon shall be an equal charge against the revenues from  
9 such motor vehicle and special fuel excise taxes and vehicle-related  
10 fees.

11 NEW SECTION. **Sec. 33.** The amendments made in sections 3 through  
12 32 of this act to any highway bond act shall apply only to the  
13 highway bonds that have been authorized to be issued but that have  
14 not yet been issued and are not outstanding on the effective date of  
15 this section and are issued after the effective date of this section.

16 **Sec. 34.** RCW 39.53.120 and 2005 c 487 s 7 are each amended to  
17 read as follows:

18 (1) Except as specifically provided in this chapter, refunding  
19 bonds issued under this chapter shall be issued in accordance with  
20 the provisions of law applicable to the type of bonds of the issuer  
21 to be refunded, at the time of the issuance of either the refunding  
22 bonds or the bonds to be refunded.

23 (2) Any refunding bonds hereafter issued by the state of  
24 Washington to refund highway bonds that were issued under a highway  
25 bond act prior to the effective date of this section, or to refund  
26 refunding bonds issued under the refunding bond act prior to the  
27 effective date of this section to refund highway bonds issued under a  
28 highway bond act prior to the effective date of this section, shall  
29 be issued in accordance with the provisions of law applicable to  
30 highway bonds at the time of the issuance of the refunding bonds.

31 (3) For all refunding bonds previously or hereafter issued by the  
32 state of Washington under this chapter, the state treasurer shall  
33 transfer from the designated funds or accounts the amount necessary  
34 for the payment of principal of and interest on the refunding bonds  
35 to the applicable bond retirement account for such refunding bonds on  
36 each date on which the interest or principal and interest payment is  
37 due on such refunding bonds unless an earlier transfer date, as

1 determined by the state finance committee, is necessary or  
2 appropriate to the financial framework of the refunding bonds.

--- **END** ---