
HOUSE BILL 2950

State of Washington

52nd Legislature

1992 Regular Session

By Representatives Rasmussen and H. Sommers; by request of Office of Financial Management

Read first time 02/05/92. Referred to Committee on Capital Facilities & Financing.

1 AN ACT Relating to state general obligation bonds and related
2 accounts; amending RCW 43.99I.010, 43.99I.020, 43.99I.040, 43.84.092,
3 43.105.080, and 46.68.030; adding new sections to chapter 43.99I RCW;
4 and declaring an emergency.

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

6 **Sec. 1.** RCW 43.99I.010 and 1991 sp.s. c 31 s 1 are each amended to
7 read as follows:

8 The state finance committee is authorized to issue general
9 obligation bonds of the state of Washington in the sum of one billion
10 (~~ninety-five~~) two hundred ninety-three million dollars, or so much
11 thereof as may be required, to finance the projects described and
12 authorized by the legislature in the capital and operating
13 appropriations acts for the 1991-1993 fiscal biennium and subsequent
14 fiscal biennia, and all costs incidental thereto.

1 Bonds authorized in this section shall be sold in such manner, at
2 such time or times, in such amounts, and at such price as the state
3 finance committee shall determine. No such bonds may be offered for
4 sale without prior legislative appropriation of the net proceeds of the
5 sale of the bonds. The state finance committee may obtain insurance,
6 letters of credit, or other credit enhancements and may authorize the
7 execution and delivery of agreements, promissory notes, and other
8 obligations for the purpose of insuring the payment or enhancing the
9 marketability of bonds authorized in this section. Promissory notes or
10 other obligations issued pursuant to this section shall not constitute
11 a debt or the contracting of indebtedness under any constitutional or
12 statutory indebtedness limitation if their payment is conditioned upon
13 the failure of the state to pay the principal of or interest on the
14 bonds with respect to which the same relate.

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

20 **Sec. 2.** RCW 43.99I.020 and 1991 sp.s. c 31 s 2 are each amended to
21 read as follows:

22 Bonds issued under RCW 43.99I.010 are subject to the following
23 conditions and limitations:

24 General obligation bonds of the state of Washington in the sum of
25 one billion (~~((ninety-five))~~) two hundred ninety-three million dollars,
26 or so much thereof as may be required, shall be issued for the purposes
27 described and authorized by the legislature in the capital and
28 operating appropriations acts for the 1991-93 fiscal biennium and
29 subsequent fiscal biennia, and to provide for the administrative cost

1 of such projects, including costs of bond issuance and retirement,
2 salaries and related costs of officials and employees of the state,
3 costs of insurance or credit enhancement agreements, and other expenses
4 incidental to the administration of capital projects. Subject to such
5 changes as may be required in the appropriations acts, the proceeds
6 from the sale of the bonds issued for the purposes of this subsection
7 shall be deposited in the state building construction account created
8 by RCW 43.83.020 and transferred as follows:

9 (1) Eight hundred thirty-five thousand dollars to the state higher
10 education construction account created by RCW 28B.10.851;

11 (2) Eight hundred ~~((twenty-three million))~~ forty-eight million four
12 hundred sixty-three thousand dollars to the state building construction
13 account created by RCW 43.83.020;

14 (3) Fifteen million dollars to the energy efficiency construction
15 account created by RCW 39.35C.100;

16 (4) Three million fifty thousand dollars to the energy efficiency
17 services account created by RCW 39.35C.110;

18 (5) ~~((One hundred twenty))~~ Two hundred fifty-five million five
19 hundred thousand dollars to the common school reimbursable construction
20 account hereby created in the state treasury;

21 (6) ~~((Ninety-eight million six hundred forty-eight))~~ One hundred
22 five million nine hundred fifty-seven thousand dollars to the higher
23 education reimbursable construction account hereby created in the state
24 treasury; ~~((and))~~

25 (7) ~~((Two million four hundred five thousand dollars to the~~
26 ~~wildlife reimbursable construction account hereby created in the state~~
27 ~~treasury))~~ Five million two hundred thousand dollars to the data
28 processing building construction account created in section 7 of this
29 act; and

1 (8) Thirty-three million three hundred twenty-five thousand dollars
2 to the Washington state patrol building construction account created in
3 section 8 of this act.

4 These proceeds shall be used exclusively for the purposes specified
5 in this subsection, and for the payment of expenses incurred in the
6 issuance and sale of the bonds issued for the purposes of this section,
7 and shall be administered by the office of financial management,
8 subject to legislative appropriation.

9 **Sec. 3.** RCW 43.99I.040 and 1991 sp.s. c 31 s 4 are each amended to
10 read as follows:

11 (1) On each date on which any interest or principal and interest
12 payment is due on bonds issued for the purposes of RCW 43.99I.020 (3)
13 and (4), the state treasurer shall transfer from the energy efficiency
14 construction account created in RCW 39.35C.100 to the general fund of
15 the state treasury the amount computed in RCW 43.99I.030 for the bonds
16 issued for the purposes of RCW 43.99I.020 (3) and (4).

17 (2) On each date on which any interest or principal and interest
18 payment is due on bonds issued for the purposes of RCW 43.99I.020(5),
19 the state treasurer shall transfer from property taxes in the state
20 general fund levied for this support of the common schools under RCW
21 84.52.065 to the general fund of the state treasury for unrestricted
22 use the amount computed in RCW 43.99I.030 for the bonds issued for the
23 purposes of RCW 43.99I.020(5).

24 (3) On each date on which any interest or principal and interest
25 payment is due on bonds issued for the purposes of RCW 43.99I.020(6),
26 the state treasurer shall transfer from higher education operating fees
27 deposited in the general fund to the general fund of the state treasury
28 for unrestricted use the amount computed in RCW 43.99I.030 for the
29 bonds issued for the purposes of RCW 43.99I.020(6).

1 (4) On each date on which any interest or principal and interest
2 payment is due on bonds issued for the purposes of RCW 43.99I.020(7),
3 the state treasurer shall transfer from the state wildlife fund to the
4 general fund of the state treasury the amount computed in RCW
5 43.99I.030 for the bonds issued for the purpose of RCW 43.99I.020(7).

6 (5) On each date on which any interest or principal and interest
7 payment is due on bonds issued for the purposes of RCW 43.99I.020(8),
8 the state treasurer shall transfer from the data processing revolving
9 account created in RCW 43.105.080 to the general fund of the state
10 treasury the amount computed in RCW 43.99I.030 for the bonds issued for
11 the purposes of RCW 43.99I.020(8).

12 (6) On each date on which any interest or principal and interest
13 payment is due on bonds issued for the purpose of RCW 43.99I.020(9),
14 the state treasurer shall transfer from the state patrol highway
15 account created in RCW 46.68.030 to the general fund of the state
16 treasury the amount computed in RCW 43.99I.030 for the bonds issued for
17 the purposes of RCW 43.99I.020(9).

18 **Sec. 4.** RCW 43.84.092 and 1991 sp.s. c 13 s 57 are each amended to
19 read as follows:

20 (1) All earnings of investments of surplus balances in the state
21 treasury shall be deposited to the treasury income account, which
22 account is hereby established in the state treasury.

23 (2) Monthly, the state treasurer shall distribute the earnings
24 credited to the treasury income account. The state treasurer shall
25 credit the general fund with all the earnings credited to the treasury
26 income account except:

27 (a) The following accounts and funds shall receive their
28 proportionate share of earnings based upon each account's and fund's
29 average daily balance for the period: The capitol building

1 construction account, the Cedar River channel construction and
2 operation account, the Central Washington University capital projects
3 account, the charitable, educational, penal and reformatory
4 institutions account, the common school construction fund, the county
5 criminal justice assistance account, the county sales and use tax
6 equalization account, the data processing building construction
7 account, the deferred compensation administrative account, the deferred
8 compensation principal account, the department of retirement systems
9 expense account, the Eastern Washington University capital projects
10 account, the federal forest revolving account, the industrial insurance
11 premium refund account, the judges' retirement account, the judicial
12 retirement administrative account, the judicial retirement principal
13 account, the local leasehold excise tax account, the local sales and
14 use tax account, the medical aid account, the municipal criminal
15 justice assistance account, the municipal sales and use tax
16 equalization account, the natural resources deposit account, the
17 perpetual surveillance and maintenance account, the public employees'
18 retirement system plan I account, the public employees' retirement
19 system plan II account, the Puyallup tribal settlement account, the
20 resource management cost account, the site closure account, the special
21 wildlife account, the state employees' insurance account, the state
22 employees' insurance reserve account, the state investment board
23 expense account, the state investment board commingled trust fund
24 accounts, the Washington state patrol building construction account,
25 the supplemental pension account, the teachers' retirement system plan
26 I account, the teachers' retirement system plan II account, the
27 University of Washington bond retirement fund, the University of
28 Washington building account, the volunteer fire fighters' relief and
29 pension principal account, the volunteer fire fighters' relief and
30 pension administrative account, the Washington judicial retirement

1 system account, the Washington law enforcement officers' and fire
2 fighters' system plan I retirement account, the Washington law
3 enforcement officers' and fire fighters' system plan II retirement
4 account, the Washington state patrol retirement account, the Washington
5 State University building account, the Washington State University bond
6 retirement fund, and the Western Washington University capital projects
7 account. Earnings derived from investing balances of the agricultural
8 permanent fund, the normal school permanent fund, the permanent common
9 school fund, the scientific permanent fund, and the state university
10 permanent fund shall be allocated to their respective beneficiary
11 accounts. All earnings to be distributed under this subsection (2)(a)
12 shall first be reduced by the allocation to the state treasurer's
13 service ((~~account~~ {~~fund~~}) fund) pursuant to RCW 43.08.190.

14 (b) The following accounts and funds shall receive eighty percent
15 of their proportionate share of earnings based upon each account's or
16 fund's average daily balance for the period: The central Puget Sound
17 public transportation account, the city hardship assistance account,
18 the county arterial preservation account, the economic development
19 account, the essential rail assistance account, the essential rail
20 banking account, the ferry bond retirement fund, the grade crossing
21 protective fund, the high capacity transportation account, the highway
22 bond retirement fund, the highway construction stabilization account,
23 the highway safety account, the motor vehicle fund, the motorcycle
24 safety education account, the pilotage account, the public
25 transportation systems account, the Puget Sound capital construction
26 account, the Puget Sound ferry operations account, the recreational
27 vehicle account, the rural arterial trust account, the special category
28 C account, the state patrol highway account, the transfer relief
29 account, the transportation capital facilities account, the
30 transportation equipment fund, the transportation fund, the

1 transportation improvement account, and the urban arterial trust
2 account.

3 (3) In conformance with Article II, section 37 of the state
4 Constitution, no treasury accounts or funds shall be allocated earnings
5 without the specific affirmative directive of this section.

6 **Sec. 5.** RCW 43.105.080 and 1987 c 504 s 11 are each amended to
7 read as follows:

8 There is created a revolving fund to be known as the data
9 processing revolving fund in the custody of the state treasurer. The
10 revolving fund shall be used for the acquisition of equipment,
11 software, supplies, and services and the payment of salaries, wages,
12 and other costs incidental to the acquisition, development, operation,
13 and administration of information services, telecommunications,
14 systems, software, supplies and equipment, including the payment of
15 principal and interest on bonds issued for capital projects, by the
16 department, Washington State University's computer services center, the
17 department of personnel's personnel information systems division, the
18 office of financial management's financial systems management group,
19 and other users as jointly determined by the department and the office
20 of financial management. The revolving fund is subject to the
21 allotment procedure provided under chapter 43.88 RCW. Disbursements
22 from the revolving fund for the services component of the department
23 are not subject to appropriation. Disbursements for the planning
24 component of the department are subject to appropriation. All
25 disbursements from the fund are subject to the allotment procedures
26 provided under chapter 43.88 RCW. The department shall establish and
27 implement a billing structure to assure all agencies pay an equitable
28 share of the costs.

1 As used in this section, the word "supplies" shall not be
2 interpreted to delegate or abrogate the division of purchasing's
3 responsibilities and authority to purchase supplies as described in RCW
4 43.19.190 and 43.19.200.

5 **Sec. 6.** RCW 46.68.030 and 1990 c 42 s 109 are each amended to read
6 as follows:

7 Except for proceeds from fees for vehicle licensing for vehicles
8 paying such fees under RCW 46.16.070 and 46.16.085, and as otherwise
9 provided for in chapter 46.16 RCW, all fees received by the director
10 for vehicle licenses under the provisions of chapter 46.16 RCW shall be
11 forwarded to the state treasurer, accompanied by a proper identifying
12 detailed report, and be deposited to the credit of the motor vehicle
13 fund, except that the proceeds from the vehicle license fee and renewal
14 license fee shall be deposited by the state treasurer as hereinafter
15 provided. After July 1, 1981, that portion of each vehicle license fee
16 in excess of \$7.40 and that portion of each renewal license fee in
17 excess of \$3.40 shall be deposited in the state patrol highway account
18 in the motor vehicle fund, hereby created. Vehicle license fees,
19 renewal license fees, and all other funds in the state patrol highway
20 account shall be for the sole use of the Washington state patrol for
21 highway activities of the Washington state patrol, including the
22 payment of principal and interest on bonds issued for capital projects,
23 subject to proper appropriations and reappropriations therefor, for any
24 fiscal biennium after June 30, 1981, and twenty-seven and three-tenths
25 percent of the proceeds from \$7.40 of each vehicle license fee and
26 \$3.40 of each renewal license fee shall be deposited each biennium in
27 the Puget Sound ferry operations account. Any remaining amounts of
28 vehicle license fees and renewal license fees that are not deposited in

1 the Puget Sound ferry operations account shall be deposited in the
2 motor vehicle fund.

3 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.99I RCW
4 to read as follows:

5 The data processing building construction account is created in the
6 state treasury. Moneys in the account may be spent only after
7 appropriation. Expenditures from the account may be used only for
8 acquisition of land for and construction of a data processing building.

9 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.99I RCW
10 to read as follows:

11 The Washington state patrol building construction account is
12 created in the state treasury. Moneys in the account may be spent only
13 after appropriation. Expenditures from the account may be used only
14 for construction of a Washington state patrol building.

15 NEW SECTION. **Sec. 9.** This act is necessary for the immediate
16 preservation of the public peace, health, or safety, or support of the
17 state government and its existing public institutions, and shall take
18 effect immediately.