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HOUSE BILL 2364

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State of Washington                      53rd Legislature                      1994 Regular Session

By Representatives Holm, Jones, Sheldon, Finkbeiner, Romero and Wolfe

Read first time 01/14/94. Referred to Committee on Transportation.

1            AN ACT Relating to state highway bonds; adding new sections to  
2 chapter 47.10 RCW; and declaring an emergency.

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

4            NEW SECTION.    **Sec. 1.**    In order to provide funds necessary for the  
5 location, design, right of way, and construction of state highway  
6 improvements, there shall be issued and sold upon the request of the  
7 Washington state transportation commission a total of one hundred  
8 million dollars of general obligation bonds of the state of Washington.

9            NEW SECTION.    **Sec. 2.**    Upon the request of the transportation  
10 commission, the state finance committee shall supervise and provide for  
11 the issuance, sale, and retirement of the bonds authorized by sections  
12 1 through 6 of this act in accordance with chapter 39.42 RCW. Bonds  
13 authorized by sections 1 through 6 of this act shall be sold in such  
14 manner, at such time or times, in such amounts, and at such price as  
15 the state finance committee shall determine. No such bonds may be  
16 offered for sale without prior legislative appropriation of the net  
17 proceeds of the sale of the bonds.

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

6 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds  
7 authorized by sections 1 through 6 of this act shall be deposited in  
8 the motor vehicle fund. The proceeds shall be available only for the  
9 purposes enumerated in section 1 of this act, for the payment of bond  
10 anticipation notes, if any, and for the payment of bond issuance costs,  
11 including the costs of underwriting.

12 NEW SECTION. **Sec. 4.** Bonds issued under the authority of  
13 sections 1 through 6 of this act shall distinctly state that they are  
14 a general obligation of the state of Washington, shall pledge the full  
15 faith and credit of the state to the payment of the principal thereof  
16 and the interest thereon, and shall contain an unconditional promise to  
17 pay such principal and interest as the same shall become due. The  
18 principal and interest on the bonds shall be first payable in the  
19 manner provided in sections 1 through 6 of this act from the proceeds  
20 of the state excise taxes on motor vehicle and special fuels imposed by  
21 chapters 82.36, 82.37, and 82.38 RCW. Proceeds of such excise taxes  
22 are hereby pledged to the payment of any bonds and the interest thereon  
23 issued under the authority of sections 1 through 6 of this act, and the  
24 legislature agrees to continue to impose these excise taxes on motor  
25 vehicle and special fuels in amounts sufficient to pay, when due, the  
26 principal and interest on all bonds issued under the authority of  
27 sections 1 through 6 of this act.

28 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds  
29 issued for the purposes of sections 1 through 6 of this act shall be  
30 payable from the highway bond retirement fund. The state finance  
31 committee may provide that a special account be created in the fund to  
32 facilitate payment of the principal and interest. The state finance  
33 committee shall, on or before June 30th of each year, certify to the  
34 state treasurer the amount required for principal and interest on the  
35 bonds in accordance with the bond proceedings. The state treasurer  
36 shall withdraw revenues from the motor vehicle fund and deposit in the

1 highway bond retirement fund, or a special account in the fund, such  
2 amounts, and at such times, as are required by the bond proceedings.

3 Any funds required for bond retirement or interest on the bonds  
4 authorized by sections 1 through 6 of this act shall be taken from that  
5 portion of the motor vehicle fund that results from the imposition of  
6 excise taxes on motor vehicle and special fuels and which is, or may be  
7 appropriated to the department of transportation for state highway  
8 purposes. Funds required shall never constitute a charge against any  
9 other allocations of motor vehicle fuel and special fuel tax revenues  
10 to the state, counties, cities, and towns unless the amount arising  
11 from excise taxes on motor vehicle and special fuels distributed to the  
12 state in the motor vehicle fund proves insufficient to meet the  
13 requirements for bond retirement or interest on any such bonds.

14 Any payments for bond retirement or interest on the bonds taken  
15 from other revenues from the motor vehicle fuel or special fuel taxes  
16 that are distributable to the state, counties, cities, and towns, shall  
17 be repaid from the first revenues from the motor vehicle fuel or  
18 special fuel taxes distributed to the motor vehicle fund not required  
19 for bond retirement or interest on the bonds.

20 NEW SECTION. **Sec. 6.** Bonds issued under the authority of  
21 sections 1 through 5 of this act and this section and any other general  
22 obligation bonds of the state of Washington that have been or that may  
23 be authorized and that pledge motor vehicle and special fuels excise  
24 taxes for the payment of principal and interest thereon shall be an  
25 equal charge against the revenues from such motor vehicle and special  
26 fuels excise taxes.

27 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act are each  
28 added to chapter 47.10 RCW.

29 NEW SECTION. **Sec. 8.** If any provision of this act or its  
30 application to any person or circumstance is held invalid, the  
31 remainder of the act or the application of the provision to other  
32 persons or circumstances is not affected.

33 NEW SECTION. **Sec. 9.** This act is necessary for the immediate  
34 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take  
2 effect immediately.

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