
SENATE BILL 5166

State of Washington

53rd Legislature

1993 Regular Session

By Senators Vognild, Nelson and Sheldon; by request of State Treasurer and Department of Transportation

Read first time 01/15/93. Referred to Committee on Transportation.

1 AN ACT Relating to refunding revenue bonds for the department of
2 transportation; amending RCW 43.84.092; adding new sections to chapter
3 47.56 RCW; creating a new section; making an appropriation; and
4 declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** It is declared that it is in the best
7 interest of the state to modify the debt service and reserve
8 requirements, sources of payment, covenants, and other terms of the
9 outstanding toll bridge authority, ferry, and Hood Canal bridge
10 refunding revenue bonds.

11 NEW SECTION. **Sec. 2.** The state finance committee is authorized to
12 issue refunding bonds and use other available money to refund, defease,
13 and redeem all of those toll bridge authority, ferry, and Hood Canal
14 bridge refunding revenue bonds under sections 3 through 6 of this act.

15 NEW SECTION. **Sec. 3.** (1) The refunding bonds authorized under
16 section 2 of this act shall be general obligation bonds of the state of
17 Washington and shall be issued in a total principal amount not to

1 exceed fifteen million dollars. The exact amount of refunding bonds to
2 be issued shall be determined by the state finance committee after
3 calculating the amount of money deposited with the trustee for the
4 bonds to be refunded which can be used to redeem or defease outstanding
5 toll bridge authority, ferry, and Hood Canal bridge revenue bonds after
6 the setting aside of sufficient money from that fund to pay the first
7 interest installment on the refunding bonds. The refunding bonds shall
8 be serial in form maturing at such time, in such amounts, having such
9 denomination or denominations, redemption privileges, and having such
10 terms and conditions as determined by the state finance committee. The
11 last maturity date of the refunding bonds shall not be later than
12 January 1, 2002.

13 (2) The refunding bonds shall be signed by the governor and the
14 state treasurer under the seal of the state, which signatures shall be
15 made manually or in printed facsimile. The bonds shall be registered
16 in the name of the owner in accordance with chapter 39.46 RCW. The
17 refunding bonds shall distinctly state that they are a general
18 obligation of the state of Washington, shall pledge the full faith and
19 credit of the state, and shall contain an unconditional promise to pay
20 the principal thereof and the interest thereon when due. The refunding
21 bonds shall be fully negotiable instruments.

22 (3) The principal and interest on the refunding bonds shall be
23 first payable in the manner provided in this section from the proceeds
24 of state excise taxes on motor vehicle and special fuels imposed by
25 chapters 82.36, 82.37, and 82.38 RCW.

26 (4) The principal of and interest on the refunding bonds shall be
27 paid first from the state excise taxes on motor vehicle and special
28 fuels deposited in the ferry bond retirement fund. There is hereby
29 pledged the proceeds of state excise taxes on motor vehicle and special
30 fuels imposed under chapters 82.36, 82.37, and 82.38 RCW to pay the
31 refunding bonds and interest thereon, and the legislature hereby agrees
32 to continue to impose the same excise taxes on motor vehicle and
33 special fuels in amounts sufficient to pay, when due, the principal and
34 interest on the refunding bonds. Not less than fifteen days prior to
35 the date any interest or principal and interest payments are due, the
36 state finance committee shall certify to the state treasurer such
37 amount of additional money as may be required for debt service, and the
38 treasurer shall thereupon transfer from the motor vehicle fund such
39 amount from the proceeds of such excise taxes into the ferry bond

1 retirement fund. Any proceeds of such excise taxes required for these
2 purposes shall first be taken from that portion of the motor vehicle
3 fund which results from the imposition of the excise taxes on motor
4 vehicle and special fuels and which is distributed to the Puget Sound
5 capital construction account. If the proceeds from excise taxes
6 distributed to the state are ever insufficient to meet the required
7 payments on principal or interest on the refunding bonds when due, the
8 amount required to make the payments on the principal or interest shall
9 next be taken from that portion of the motor vehicle fund which results
10 from the imposition of excise taxes on motor vehicle and special fuels
11 and which is distributed to the state, counties, cities, and towns
12 pursuant to RCW 46.68.100 as now existing or hereafter amended. Any
13 payments of the principal or interest taken from the motor vehicle or
14 special fuel tax revenues which are distributable to the counties,
15 cities, and towns shall be repaid from the first money distributed to
16 the state not required for redemption of the refunding bonds or
17 interest thereon. The legislature covenants that it shall at all times
18 provide sufficient revenues from the imposition of such excise taxes to
19 pay the principal and interest due on the refunding bonds.

20 NEW SECTION. **Sec. 4.** Upon the issuance of refunding bonds as
21 authorized by section 2 of this act, the department of transportation
22 may liquidate the existing bond fund and other funds and accounts
23 established in the proceedings which authorized the issuance of the
24 outstanding toll bridge authority, ferry, and Hood Canal bridge
25 refunding revenue bonds and apply the money contained in those funds
26 and accounts to the defeasance and redemption of outstanding toll
27 bridge authority, ferry, and Hood Canal refunding revenue bonds, except
28 that prior to such bond redemption, money sufficient to pay the first
29 interest installment on the refunding bonds shall be deposited in the
30 ferry bond retirement fund. Money remaining in such funds not used for
31 such bond defeasance and redemption or first interest installment on
32 the refunding bonds shall be transferred to and deposited in the marine
33 operating fund under section 7 of this act.

34 NEW SECTION. **Sec. 5.** Any money appropriated from the Puget Sound
35 capital construction account under section 10, chapter . . . , Laws of
36 1993 (this act) and expended to pay expenses of issuing the refunding
37 bonds authorized by section 2 of this act, and any money in the Puget

1 Sound capital construction account subsequently used to pay principal
2 and interest on the refunding bonds authorized by section 2 of this act
3 shall be repaid to the Puget Sound capital construction account for use
4 by the department of transportation.

5 NEW SECTION. **Sec. 6.** Except as otherwise provided by statute, the
6 refunding bonds issued under authority of section 2 of this act, the
7 bonds authorized by RCW 47.60.560 through 47.60.640, the bonds
8 authorized by RCW 47.26.420 through 47.26.427, and any general
9 obligation bonds of the state of Washington which have been or may be
10 authorized by the legislature after the enactment of those sections and
11 which pledge motor vehicle and special fuel excise taxes for the
12 payment of principal thereof and interest thereon shall be an equal
13 charge and lien against the revenues from such motor vehicle and
14 special fuel excise taxes.

15 NEW SECTION. **Sec. 7.** The marine operating fund, temporarily
16 created by section 39(1), chapter 15, Laws of 1991 sp. sess., is
17 created in the state treasury.

18 NEW SECTION. **Sec. 8.** Sections 2 through 7 of this act are each
19 added to chapter 47.56 RCW.

20 **Sec. 9.** RCW 43.84.092 and 1992 c 235 s 4 are each amended to read
21 as follows:

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

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

29 (a) The following accounts and funds shall receive their
30 proportionate share of earnings based upon each account's and fund's
31 average daily balance for the period: The capitol building
32 construction account, the Cedar River channel construction and
33 operation account, the Central Washington University capital projects
34 account, the charitable, educational, penal and reformatory
35 institutions account, the common school construction fund, the county

1 criminal justice assistance account, the county sales and use tax
2 equalization account, the data processing building construction
3 account, the deferred compensation administrative account, the deferred
4 compensation principal account, the department of retirement systems
5 expense account, the Eastern Washington University capital projects
6 account, the federal forest revolving account, the industrial insurance
7 premium refund account, the judges' retirement account, the judicial
8 retirement administrative account, the judicial retirement principal
9 account, the local leasehold excise tax account, the local sales and
10 use tax account, the medical aid account, the municipal criminal
11 justice assistance account, the municipal sales and use tax
12 equalization account, the natural resources deposit account, the
13 perpetual surveillance and maintenance account, the public employees'
14 retirement system plan I account, the public employees' retirement
15 system plan II account, the Puyallup tribal settlement account, the
16 resource management cost account, the site closure account, the special
17 wildlife account, the state employees' insurance account, the state
18 employees' insurance reserve account, the state investment board
19 expense account, the state investment board commingled trust fund
20 accounts, the supplemental pension account, the teachers' retirement
21 system plan I account, the teachers' retirement system plan II account,
22 the University of Washington bond retirement fund, the University of
23 Washington building account, the volunteer fire fighters' relief and
24 pension principal account, the volunteer fire fighters' relief and
25 pension administrative account, the Washington judicial retirement
26 system account, the Washington law enforcement officers' and fire
27 fighters' system plan I retirement account, the Washington law
28 enforcement officers' and fire fighters' system plan II retirement
29 account, the Washington state patrol retirement account, the Washington
30 State University building account, the Washington State University bond
31 retirement fund, and the Western Washington University capital projects
32 account. Earnings derived from investing balances of the agricultural
33 permanent fund, the normal school permanent fund, the permanent common
34 school fund, the scientific permanent fund, and the state university
35 permanent fund shall be allocated to their respective beneficiary
36 accounts. All earnings to be distributed under this subsection (2)(a)
37 shall first be reduced by the allocation to the state treasurer's
38 service fund pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty percent
2 of their proportionate share of earnings based upon each account's or
3 fund's average daily balance for the period: The central Puget Sound
4 public transportation account, the city hardship assistance account,
5 the county arterial preservation account, the economic development
6 account, the essential rail assistance account, the essential rail
7 banking account, the ferry bond retirement fund, the grade crossing
8 protective fund, the high capacity transportation account, the highway
9 bond retirement fund, the highway construction stabilization account,
10 the highway safety account, the marine operating fund, the motor
11 vehicle fund, the motorcycle safety education account, the pilotage
12 account, the public transportation systems account, the Puget Sound
13 capital construction account, the Puget Sound ferry operations account,
14 the recreational vehicle account, the rural arterial trust account, the
15 special category C account, the state patrol highway account, the
16 transfer relief account, the transportation capital facilities account,
17 the transportation equipment fund, the transportation fund, the
18 transportation improvement account, and the urban arterial trust
19 account.

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

23 NEW SECTION. **Sec. 10.** There is hereby appropriated from the Puget
24 Sound capital construction account to the department of transportation
25 for the biennium ending June 30, 1995, the sum of one hundred thousand
26 dollars, or as much thereof as may be necessary, to pay expenses of
27 issuing the refunding bonds authorized by section 2 of this act.

28 NEW SECTION. **Sec. 11.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of the
30 state government and its existing public institutions, and shall take
31 effect immediately.

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