
SUBSTITUTE SENATE BILL 5343

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Vognild, Nelson, Skratek and von Reichbauer; by request of Department of Transportation)

Read first time 04/05/93.

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

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 that are identified as special category C improvements,
7 there shall be issued and sold upon the request of the Washington state
8 transportation commission a total of four hundred eighty million
9 dollars of general obligation bonds of the state of Washington.

10 NEW SECTION. **Sec. 2.** Upon the request of the transportation
11 commission, the state finance committee shall supervise and provide for
12 the issuance, sale, and retirement of the bonds authorized by sections
13 1 through 6 of this act in accordance with chapter 39.42 RCW. Bonds
14 authorized by sections 1 through 6 of this act shall be sold in such
15 manner, at such time or times, in such amounts, and at such price as
16 the state finance committee shall determine. No such bonds may be
17 offered for sale without prior legislative appropriation of the net
18 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 special category C account in the motor vehicle fund. The proceeds
9 shall be available only for the purposes enumerated in section 1 of
10 this act, for the payment of bond anticipation notes, if any, and for
11 the payment of bond issuance costs, including the costs of
12 underwriting.

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

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

1 shall withdraw revenues from the special category C account in the
2 motor vehicle fund and deposit in the highway bond retirement fund, or
3 a special account in the fund, such amounts, and at such times, as are
4 required by the bond proceedings.

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

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

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

29 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act shall be
30 added to chapter 47.10 RCW.

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

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