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**SENATE BILL 5344**

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**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** Senators Vognild, Nelson and Skratek; by request of Department of Transportation

Read first time 01/25/93. Referred to Committee on Transportation.

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 interstate improvements, there  
7 shall be issued and sold upon the request of the Washington state  
8 transportation commission a total of two hundred million dollars of  
9 general obligation bonds of the state of Washington. These funds shall  
10 be used to temporarily pay the regular federal share of construction of  
11 federal-aid interstate highway improvements to complete state routes 5,  
12 82, 90, 182, 405, and 705 in advance of federal-aid apportionments  
13 under the provisions of 23 U.S.C. Sec. 115 or 122: PROVIDED, That if  
14 by December 31, 1996, none of these bonds have been sold this section  
15 and sections 2 through 6 of this act are null and void.

16 NEW SECTION. **Sec. 2.** Upon the request of the transportation  
17 commission, the state finance committee shall supervise and provide for  
18 the issuance, sale, and retirement of the bonds authorized by sections

1 1 through 6 of this act in accordance with chapter 39.42 RCW. Bonds  
2 authorized by sections 1 through 6 of this act shall be sold in such  
3 manner, at such time or times, in such amounts, and at such price as  
4 the state finance committee shall determine. No such bonds may be  
5 offered for sale without prior legislative appropriation of the net  
6 proceeds of the sale of the bonds.

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

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

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

34 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds  
35 issued for the purposes of sections 1 through 6 of this act shall be  
36 payable from the highway bond retirement fund. The state finance

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

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

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

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

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

35 NEW SECTION. **Sec. 8.** If any provision of this act or its  
36 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other  
2 persons or circumstances is not affected.

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