
SENATE BILL 5345

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 selected interstate
6 and other state highway improvements, there shall be issued and sold
7 upon the request of the Washington state transportation commission a
8 total of seventy-five million dollars of general obligation bonds of
9 the state of Washington for the following purposes and specified sums:
10 (1) Not to exceed twenty-five million dollars to pay the state's
11 and local governments' share of matching funds for the ten
12 demonstration projects identified in the Intermodal Surface
13 Transportation Efficiency Act of 1991.

14 (2) Not to exceed fifty million dollars to temporarily pay the
15 regular federal share of construction in advance of federal-aid
16 apportionments as authorized by this section.

17 NEW SECTION. **Sec. 2.** Upon the request of the transportation
18 commission, the state finance committee shall supervise and provide for

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

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

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

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

35 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
36 issued for the purposes of sections 1 through 6 of this act shall be

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

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

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

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

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

1 NEW SECTION. **Sec. 8.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

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