
SUBSTITUTE SENATE BILL 5970

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Transportation (originally sponsored by Senator Vognild; 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 the state highway
6 high occupancy vehicle core lane system, there shall be issued and sold
7 upon the request of the Washington state transportation commission a
8 total of two hundred forty million dollars of general obligation bonds
9 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 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 sections
13 1 through 6 of this act shall distinctly state that they are a general
14 obligation of the state of Washington, shall pledge the full faith and
15 credit of the state to the payment of the principal thereof and the
16 interest thereon, and shall contain an unconditional promise to pay
17 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 for the proceeds of
20 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 distributed 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 sections
21 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 shall each
28 be 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.

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