

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5937**

Chapter 52, Laws of 1993

53rd Legislature  
1993 Regular Session

INDEBTEDNESS EXCLUDED FROM SEVEN PERCENT DEBT LIMIT

EFFECTIVE DATE: 7/1/93

Passed by the Senate April 9, 1993  
YEAS 41 NAYS 8

JOEL PRITCHARD

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**President of the Senate**

Passed by the House April 7, 1993  
YEAS 98 NAYS 0

BRIAN EBERSOLE

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**Speaker of the  
House of Representatives**

Approved April 19, 1993

MIKE LOWRY

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**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5937** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

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**Secretary**

FILED

April 19, 1993 - 1:51 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5937**

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AS AMENDED BY THE HOUSE

Passed Legislature - 1993 Regular Session

**State of Washington                      53rd Legislature                      1993 Regular Session**

**By** Senate Committee on Ways & Means (originally sponsored by Senators Quigley, Snyder, Gaspard, von Reichbauer, Vognild, A. Smith, Rinehart, McAuliffe, Drew, Hargrove, Sheldon, Loveland, Haugen, Erwin, Sutherland, Jesernig, Skratek, Spanel, Niemi, Roach, Hochstatter and Deccio)

Read first time 03/08/93.

1            AN ACT Relating to inclusion in the statutory seven percent debt  
2 limitation of indebtedness for which the state treasury is reimbursed  
3 for the principal and interest payments on the indebtedness; reenacting  
4 and amending RCW 39.42.060; providing an effective date; and declaring  
5 an emergency.

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

7            **Sec. 1.** RCW 39.42.060 and 1989 1st ex.s. c 14 s 17 and 1989 c 356  
8 s 7 are each reenacted and amended to read as follows:

9            No bonds, notes, or other evidences of indebtedness for borrowed  
10 money shall be issued by the state which will cause the aggregate debt  
11 contracted by the state to exceed that amount for which payments of  
12 principal and interest in any fiscal year would require the state to  
13 expend more than seven percent of the arithmetic mean of its general  
14 state revenues, as defined in section 1(c) of Article VIII of the  
15 Washington state Constitution for the three immediately preceding  
16 fiscal years as certified by the treasurer in accordance with RCW  
17 39.42.070. It shall be the duty of the state finance committee to  
18 compute annually the amount required to pay principal of and interest  
19 on outstanding debt. In making such computation, the state finance

1 committee shall include all borrowed money represented by bonds, notes,  
2 or other evidences of indebtedness which are secured by the full faith  
3 and credit of the state or are required to be paid, directly or  
4 indirectly, from general state revenues and which are incurred by the  
5 state, any department, authority, public corporation or quasi public  
6 corporation of the state, any state university or college, or any other  
7 public agency created by the state but not by counties, cities, towns,  
8 school districts, or other municipal corporations, and shall include  
9 debt incurred pursuant to section 3 of Article VIII of the Washington  
10 state Constitution, but shall exclude the following:

11 (1) Obligations for the payment of current expenses of state  
12 government;

13 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

14 (3) Principal of and interest on bond anticipation notes;

15 (4) Any indebtedness which has been refunded;

16 (5) Financing contracts entered into under chapter 39.94 RCW;

17 (6) Indebtedness authorized or incurred before the effective date  
18 of this act pursuant to statute (~~heretofore or hereafter enacted~~)  
19 which requires that the state treasury be reimbursed, in the amount of  
20 the principal of and the interest on such indebtedness, from money  
21 other than general state revenues or from the special excise tax  
22 imposed pursuant to chapter 67.40 RCW(~~-~~

23 ~~To the extent necessary because of the constitutional or statutory~~  
24 ~~debt limitation, priorities with respect to the issuance or~~  
25 ~~guaranteeing of bonds, notes, or other evidences of indebtedness by the~~  
26 ~~state shall be determined by the state finance committee; and));~~

27 (7) Indebtedness authorized and incurred after the effective date  
28 of this act pursuant to statute that requires that the state treasury  
29 be reimbursed, in the amount of the principal of and the interest on  
30 such indebtedness, from (a) moneys outside the state treasury, except  
31 higher education operating fees, (b) higher education building fees,  
32 (c) indirect costs recovered from federal grants and contracts, and (d)  
33 fees and charges associated with hospitals operated or managed by  
34 institutions of higher education; and

35 (8) Any agreement, promissory note, or other instrument entered  
36 into by the state finance committee under RCW 39.42.030 in connection  
37 with its acquisition of bond insurance, letters of credit, or other  
38 credit support instruments for the purpose of guaranteeing the payment

1 or enhancing the marketability, or both, of any state bonds, notes, or  
2 other evidence of indebtedness.

3 To the extent necessary because of the constitutional or statutory  
4 debt limitation, priorities with respect to the issuance or  
5 guaranteeing of bonds, notes, or other evidences of indebtedness by the  
6 state shall be determined by the state finance committee.

7 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
8 preservation of the public peace, health, or safety, or support of the  
9 state government and its existing public institutions, and shall take  
10 effect July 1, 1993.

Passed the Senate April 9, 1993.

Passed the House April 7, 1993.

Approved by the Governor April 19, 1993.

Filed in Office of Secretary of State April 19, 1993.