

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5364

Chapter 15, Laws of 1995

54th Legislature
1995 Second Special Session

TRANSPORTATION BONDS

EFFECTIVE DATE: 6/16/95

Passed by the Senate May 24, 1995
YEAS 41 NAYS 4

R. LORRAINE WOJAHN

President of the Senate

Passed by the House May 24, 1995
YEAS 64 NAYS 32

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved June 16, 1995

MIKE LOWRY

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 5364** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

June 15, 1995 - 11:15 a.m.

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5364

Passed Legislature - 1995 Second Special Session

State of Washington 54th Legislature 1995 1st Special Session

By Senate Committee on Transportation (originally sponsored by Senator Owen; by request of Office of Financial Management)

Read first time 05/23/95.

1 AN ACT Relating to transportation bonds; amending RCW 47.10.834,
2 47.10.836, 47.10.837, 47.10.838, 47.10.839, and 47.10.841; amending
3 1994 c 183 s 1 (uncodified); repealing RCW 47.10.840; and declaring an
4 emergency.

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

6 **Sec. 1.** 1994 c 183 s 1 (uncodified) is amended to read as follows:
7 The legislature finds and declares:

8 Successful implementation of the public-private transportation
9 initiatives program authorized in chapter 47.46 RCW may require the
10 financial participation of the state in projects authorized in that
11 chapter.

12 The participation may take the form of loans, loan guarantees, user
13 charge guarantees, including incidental costs incurred by the
14 department in direct support of activities required under chapter 47.46
15 RCW, or such other cash contribution arrangements as may improve the
16 ability of the private entities sponsoring the projects to obtain
17 financing.

18 It is in the best interests of the people of the state that state
19 funding of possible financial participation in the projects authorized

1 under chapter 47.46 RCW be in the form of long-term bonds. In order to
2 repay expenditures incurred in the 1993-1995 biennium, up to two
3 million two hundred thousand dollars of these bonds may be expended on
4 highway improvement projects, under chapter 47.05 RCW.

5 **Sec. 2.** RCW 47.10.834 and 1994 c 183 s 2 are each amended to read
6 as follows:

7 In order to provide funds necessary to implement the public-private
8 transportation initiatives authorized by chapter 47.46 RCW, there shall
9 be issued and sold upon the request of the Washington state
10 transportation commission a total of twenty-five million six hundred
11 twenty-five thousand dollars of general obligation bonds of the state
12 of Washington.

13 **Sec. 3.** RCW 47.10.836 and 1994 c 183 s 4 are each amended to read
14 as follows:

15 (1) The proceeds from the sale of bonds authorized by RCW 47.10.834
16 through 47.10.841 that are in support of possible loans as specified
17 under RCW 47.10.835 shall be deposited into the (~~transportation~~
18 ~~revolving loan account, hereby created, in the transportation~~) motor
19 vehicle fund. The proceeds shall be available only for the purposes of
20 making loans to entities authorized to undertake projects selected
21 under chapter 47.46 RCW as enumerated in RCW 47.10.835, including
22 incidental costs incurred by the department in direct support of
23 activities required under chapter 47.46 RCW, for the payment of bond
24 anticipation notes, if any, and for the payment of bond issuance costs,
25 including the costs of underwriting.

26 (2) The proceeds from the sale of bonds authorized by RCW 47.10.834
27 through 47.10.841 that are in support of all forms of cash
28 contributions to projects selected under chapter 47.46 RCW, including
29 incidental costs incurred by the department in direct support of
30 activities required under chapter 47.46 RCW, except loans shall be
31 deposited into the (~~transportation~~) motor vehicle fund. The proceeds
32 shall be available only for the purposes of making any contributions
33 except loans to projects selected under chapter 47.46 RCW, for the
34 payment of bond anticipation notes, if any, and for the payment of bond
35 issuance costs, including the costs of underwriting.

36 (3) Up to two million two hundred thousand dollars of the proceeds
37 from the sale of bonds authorized by RCW 47.10.834 through 47.10.841

1 may be expended on highway improvement projects under chapter 47.05 RCW
2 and for the payment of bond issuance cost, including the cost of
3 underwriting. Such proceeds shall be deposited into the motor vehicle
4 fund.

5 **Sec. 4.** RCW 47.10.837 and 1994 c 183 s 5 are each amended to read
6 as follows:

7 Principal and interest payments made on loans (~~from the~~
8 ~~transportation loan revolving account as~~) authorized by chapter 47.46
9 RCW shall be deposited into the (~~transportation loan revolving~~
10 ~~account~~) motor vehicle fund and shall be available for the payment of
11 principal and interest on bonds authorized by RCW 47.10.834 through
12 47.10.841 and for such other purposes as may be specified by law.

13 **Sec. 5.** RCW 47.10.838 and 1994 c 183 s 6 are each amended to read
14 as follows:

15 (1) Bonds issued under the authority of RCW 47.10.834 through
16 47.10.841 shall distinctly state that they are a general obligation of
17 the state of Washington, shall pledge the full faith and credit of the
18 state to the payment of the principal thereof and the interest thereon,
19 and shall contain an unconditional promise to pay such principal and
20 interest as the same shall become due.

21 (2) The principal and interest on the bonds issued for the purposes
22 enumerated in RCW 47.10.836 shall be first payable in the manner
23 provided in RCW 47.10.834 through 47.10.841 from the proceeds of the
24 state excise (~~tax on motor vehicles imposed by RCW 82.44.020(2)~~)
25 taxes on motor vehicle and special fuels imposed by chapters 82.36 and
26 82.38 RCW. Proceeds of those excise taxes are pledged to the payment
27 of any bonds and the interest thereon issued under the authority of RCW
28 47.10.834 through 47.10.841, and the legislature agrees to continue to
29 impose (~~this~~) these excise (~~tax~~) taxes on motor vehicle(~~s~~) and
30 special fuels in amounts sufficient to pay, when due, the principal and
31 interest on all bonds issued under the authority of RCW 47.10.834
32 through 47.10.841.

33 **Sec. 6.** RCW 47.10.839 and 1994 c 183 s 7 are each amended to read
34 as follows:

35 (1) Both principal and interest on the bonds issued for the
36 purposes of RCW 47.10.834 through 47.10.841 are payable from the

1 highway bond retirement fund. (~~The state finance committee may~~
2 ~~provide that a special account be created in the fund to facilitate~~
3 ~~payment of the principal and interest.~~)

4 (2) The state finance committee shall, on or before June 30th of
5 each year certify to the state treasurer the amount required for
6 principal and interest on the bonds issued for the purposes specified
7 in RCW 47.10.836 in accordance with the bond proceedings. The state
8 treasurer shall withdraw revenues from the (~~transportation~~) motor
9 vehicle fund and deposit into the highway bond retirement fund(~~, or a~~
10 ~~special account in the fund,~~) such amounts, and at such times, as are
11 required by the bond proceedings.

12 (3) Any funds required for bond retirement or interest on the bonds
13 authorized by RCW 47.10.834 through 47.10.841 shall be taken from that
14 portion of the (~~transportation~~) motor vehicle fund that results from
15 the imposition of excise taxes on motor vehicle(~~s~~) and special fuels
16 which is, or may be appropriated to the department of transportation
17 for state highway purposes. Funds required shall never constitute a
18 charge against any other allocations of motor vehicle (~~excise~~) fuel
19 and special fuel tax revenues to the state, counties, cities, or
20 towns(~~, and transit agencies~~) unless the amount arising from excise
21 taxes on motor vehicle(~~s~~) and special fuels distributed to the state
22 in the (~~transportation~~) motor vehicle fund proves insufficient to
23 meet the requirements for bond retirement or interest on any such
24 bonds.

25 (4) Any payments for bond retirement or interest on the bonds taken
26 from other revenues from the motor vehicle (~~excise~~) fuel and special
27 fuel taxes that are distributable to the state, counties, cities, or
28 towns(~~, and transit agencies~~) shall be repaid from the first revenues
29 from the motor vehicle (~~excise~~) fuel or special fuel taxes
30 distributed to the (~~transportation~~) motor vehicle fund not required
31 for bond retirement or interest on the bonds.

32 **Sec. 7.** RCW 47.10.841 and 1994 c 183 s 9 are each amended to read
33 as follows:

34 Bonds issued under the authority of RCW 47.10.834 through
35 (~~47.10.840~~) 47.10.839 and this section and any other general
36 obligation bonds of the state of Washington that have been or that may
37 be authorized and that pledge motor vehicle (~~excise~~) and special
38 fuels taxes for the payment of principal and interest thereon are an

1 equal charge against the revenues from the motor vehicle and special
2 fuels excise taxes.

3 NEW SECTION. **Sec. 8.** RCW 47.10.840 and 1994 c 183 s 8 are each
4 repealed.

5 NEW SECTION. **Sec. 9.** If any provision of this act or its
6 application to any person or circumstance is held invalid, the
7 remainder of the act or the application of the provision to other
8 persons or circumstances is not affected.

9 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
10 preservation of the public peace, health, or safety, or support of the
11 state government and its existing public institutions, and shall take
12 effect immediately.

Passed the Senate May 24, 1995.

Passed the House May 24, 1995.

Approved by the Governor June 16, 1995.

Filed in Office of Secretary of State June 15, 1995.