
HOUSE BILL 2232

State of Washington 58th Legislature 2003 Regular Session

By Representatives Murray, Wallace, Cooper, Clibborn, Rockefeller,
Simpson, Hudgins and Hankins

Read first time 03/26/2003. Referred to Committee on Transportation.

1 AN ACT Relating to the sale of bonds for highway improvements;
2 adding new sections to chapter 47.10 RCW; creating a new section;
3 providing an effective date; and declaring an emergency.

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

5 **STATE AND LOCAL HIGHWAY IMPROVEMENTS - 2003 ACT**

6 NEW SECTION. **Sec. 1.** In order to provide funds necessary for the
7 location, design, right of way acquisition, and construction of
8 selected state and local highway improvements, there shall be issued
9 and sold upon the request of the transportation commission a total of
10 one billion three hundred fifteen million dollars of general obligation
11 bonds of the state of Washington.

12 NEW SECTION. **Sec. 2.** Upon the request of the transportation
13 commission or successor agency, as appropriate, the state finance
14 committee shall supervise and provide for the issuance, sale, and
15 retirement of the bonds authorized by section 1 of this act in
16 accordance with chapter 39.42 RCW. Bonds authorized by this act shall
17 be sold in the manner, at times, in amounts, and at the price as the

1 state finance committee shall determine. No bonds may be offered for
2 sale without prior legislative appropriation of the net proceeds of the
3 sale of the bonds.

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

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

15 NEW SECTION. **Sec. 4.** Bonds issued under the authority of section
16 1 of this act shall distinctly state that they are a general obligation
17 of the state of Washington, shall pledge the full faith and credit of
18 the state to the payment of principal and interest, and shall contain
19 an unconditional promise to pay principal and interest as the same
20 shall become due. The principal and interest on the bonds shall be
21 first payable from the proceeds of the state excise taxes on motor
22 vehicle and special fuels imposed by chapters 82.36 and 82.38 RCW.
23 Proceeds of these excise taxes are hereby pledged to the payment of any
24 bonds and the interest thereon issued under the authority of sections
25 1 through 6 of this act, and the legislature agrees to continue to
26 impose these excise taxes on motor vehicle and special fuels in amounts
27 sufficient to pay, when due, the principal and interest on all bonds
28 issued under the authority of section 1 of this act.

29 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
30 issued for the purposes of section 1 of this act shall be payable from
31 the highway bond retirement fund. The state finance committee may
32 provide that a special account be created in the fund to facilitate
33 payment of the principal and interest. The state finance committee
34 shall, on or before June 30th of each year, certify to the state
35 treasurer the amount required for principal and interest on the bonds

1 in accordance with the bond proceedings. The state treasurer shall
2 withdraw revenues from the motor vehicle fund and deposit in the
3 highway bond retirement fund, or a special account in the fund, such
4 amounts, and at such times, as are required by the bond proceedings.

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

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

22 NEW SECTION. **Sec. 6.** Bonds issued under the authority of this act
23 and any other general obligation bonds of the state of Washington that
24 have been or that may be authorized and that pledge motor vehicle and
25 special fuel excise taxes for the payment of principal and interest
26 thereon shall be an equal charge against the revenues from the motor
27 vehicle and special fuel excise taxes.

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

30 NEW SECTION. **Sec. 8.** The part heading in this act is not any part
31 of the law.

32 NEW SECTION. **Sec. 9.** This act is necessary for the immediate
33 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 July 1, 2003.

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