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SENATE BILL 6898

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State of Washington

59th Legislature

2006 Regular Session

By Senators Fraser, Brandland, Prentice and Zarelli

Read first time . Referred to .

1 AN ACT Relating to authorizing state general obligation bonds for  
2 correctional facilities and the Columbia river basin water supply  
3 development program; adding new chapters to Title 43 RCW; creating a  
4 new section; and declaring an emergency.

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

6 PART 1

7 NEW SECTION. **Sec. 101.** For the purpose of providing funds for  
8 state correctional facilities, the state finance committee is  
9 authorized to issue general obligation bonds of the state of Washington  
10 in the sum of fifty million dollars, or as much thereof as may be  
11 required, to finance the projects and all costs incidental thereto.  
12 Bonds authorized in this section may be sold at such price as the state  
13 finance committee shall determine. No bonds authorized in this section  
14 may be offered for sale without prior legislative appropriation of the  
15 net proceeds of the sale of the bonds.

16 NEW SECTION. **Sec. 102.** The proceeds from the sale of the bonds  
17 authorized in section 101 of this act shall be deposited in the state

1 building construction account created in RCW 43.83.020. The proceeds  
2 shall be used exclusively for the purposes specified in section 101 of  
3 this act and for the payment of expenses incurred in the issuance and  
4 sale of the bonds. These proceeds shall be administered by the  
5 department of corrections, subject to legislative appropriation.

6 NEW SECTION. **Sec. 103.** The debt-limit general fund bond  
7 retirement account shall be used for the payment of the principal of  
8 and interest on the bonds authorized in section 101 of this act.

9 The state finance committee shall, on or before June 30th of each  
10 year, certify to the state treasurer the amount needed in the ensuing  
11 twelve months to meet the bond retirement and interest requirements.  
12 Not less than thirty days prior to the date on which any interest or  
13 principal and interest payment is due, the state treasurer shall  
14 withdraw from any general state revenues received in the state treasury  
15 and deposit in the general obligation bond retirement fund an amount  
16 equal to the amount certified by the state finance committee to be due  
17 on the payment date.

18 Bonds issued under section 101 of this act shall state that they  
19 are a general obligation of the state of Washington, shall pledge the  
20 full faith and credit of the state to the payment of the principal  
21 thereof and the interest thereon, and shall contain an unconditional  
22 promise to pay the principal and interest as the same shall become due.

23 The owner and holder of each of the bonds or the trustee for the  
24 owner and holder of any of the bonds may by mandamus or other  
25 appropriate proceeding require the transfer and payment of funds as  
26 directed in this section.

27 NEW SECTION. **Sec. 104.** The legislature may provide additional  
28 means for raising moneys for the payment of the principal of and  
29 interest on the bonds authorized in section 101 of this act, and  
30 section 103 of this act shall not be deemed to provide an exclusive  
31 method for the payment.

32 NEW SECTION. **Sec. 105.** The bonds authorized in section 101 of  
33 this act shall be a legal investment for all state funds or funds under  
34 state control and for all funds of any other public body.

PART 2

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NEW SECTION. **Sec. 201.** For the purpose of providing funds for the Columbia river basin water supply development program, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of two hundred million dollars, or as much thereof as may be required, to finance the projects and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

NEW SECTION. **Sec. 202.** It is the intent of the legislature that the proceeds of the new bonds authorized in section 201 of this act will be appropriated in phases over five biennia, beginning with the 2005-2007 biennium. This is not intended to limit the legislature's ability to appropriate bond proceeds if the full amount authorized in section 201 of this act has not been appropriated after five biennia. The authorization to issue bonds contained in section 201 of this act does not expire until the full authorization has been appropriated and issued.

NEW SECTION. **Sec. 203.** The proceeds from the sale of the bonds authorized in section 201 of this act shall be deposited in the Columbia river basin water supply development account created in chapter... (Second Substitute Senate Bill No. 6581), Laws of 2006. The proceeds shall be used exclusively for the purposes specified in section 201 of this act and for the payment of expenses incurred in the issuance and sale of the bonds. These proceeds shall be administered by the department of ecology, subject to legislative appropriation.

NEW SECTION. **Sec. 204.** The debt-limit general fund bond retirement account shall be used for the payment of the principal of and interest on the bonds authorized in section 201 of this act.

The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements. Not less than thirty days prior to the date on which any interest or principal and interest payment is due, the state treasurer shall

1 withdraw from any general state revenues received in the state treasury  
2 and deposit in the general obligation bond retirement fund an amount  
3 equal to the amount certified by the state finance committee to be due  
4 on the payment date.

5 Bonds issued under section 201 of this act shall state that they  
6 are a general obligation of the state of Washington, shall pledge the  
7 full faith and credit of the state to the payment of the principal  
8 thereof and the interest thereon, and shall contain an unconditional  
9 promise to pay the principal and interest as the same shall become due.

10 The owner and holder of each of the bonds or the trustee for the  
11 owner and holder of any of the bonds may by mandamus or other  
12 appropriate proceeding require the transfer and payment of funds as  
13 directed in this section.

14 NEW SECTION. **Sec. 205.** The legislature may provide additional  
15 means for raising moneys for the payment of the principal of and  
16 interest on the bonds authorized in section 201 of this act, and  
17 section 203 of this act shall not be deemed to provide an exclusive  
18 method for the payment.

19 NEW SECTION. **Sec. 206.** The bonds authorized in section 201 of  
20 this act shall be a legal investment for all state funds or funds under  
21 state control and for all funds of any other public body.

22 **PART 3**

23 NEW SECTION. **Sec. 301.** Sections 101 through 105 of this act  
24 constitute a new chapter in Title 43 RCW.

25 NEW SECTION. **Sec. 302.** Sections 201 through 206 of this act  
26 constitute a new chapter in Title 43 RCW.

27 NEW SECTION. **Sec. 303.** If Second Substitute Senate Bill No. 6581  
28 is not enacted by June 30, 2006, sections 201 through 206 of this act  
29 are null and void.

30 NEW SECTION. **Sec. 304.** If any provision of this act or its

1 application to any person or circumstance is held invalid, the  
2 remainder of the act or the application of the provision to other  
3 persons or circumstances is not affected.

4 NEW SECTION. **Sec. 305.** This act is necessary for the immediate  
5 preservation of the public peace, health, or safety, or support of the  
6 state government and its existing public institutions, and takes effect  
7 immediately.

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