
HOUSE BILL 1770

State of Washington 60th Legislature 2007 Regular Session

By Representatives B. Sullivan, Chase and Kagi

Read first time 01/26/2007. Referred to Committee on Capital Budget.

1 AN ACT Relating to state and municipal park funding; amending RCW
2 39.42.060; adding a new chapter to Title 79A RCW; and providing for
3 submission of this act to a vote of the people.

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

5 NEW SECTION. **Sec. 1.** (1) For the purpose of providing funds to
6 finance state park capital facility projects, and all costs incidental
7 thereto, the state finance committee is authorized to issue general
8 obligation bonds of the state of Washington in the sum of one hundred
9 twenty-five million dollars, or as much thereof as may be required, to
10 finance these projects and all costs incidental thereto. Bonds
11 authorized in this section may be sold at such price as the state
12 finance committee shall determine. No bonds authorized in this section
13 may be offered for sale without prior legislative appropriation of the
14 net proceeds of the sale of the bonds.

15 (2) For the purpose of providing funds to finance municipal park
16 capital facility projects, and all costs incidental thereto, the state
17 finance committee is authorized to issue general obligation bonds of
18 the state of Washington in the sum of one hundred twenty-five million
19 dollars, or as much thereof as may be required, to finance these

1 projects and all costs incidental thereto. Bonds authorized in this
2 section may be sold at such price as the state finance committee shall
3 determine. No bonds authorized in this section may be offered for sale
4 without prior legislative appropriation of the net proceeds of the sale
5 of the bonds.

6 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds
7 authorized in section 1(1) of this act shall be deposited in the state
8 parks capital facilities account created in section 7 of this act, and
9 the proceeds from the sale of the bonds authorized in section 1(2) of
10 this act shall be deposited into the municipal parks capital facilities
11 account created in section 8 of this act. These proceeds shall be used
12 exclusively for the purposes specified in section 7 or 8 of this act
13 and for the payment of expenses incurred in the issuance and sale of
14 the bonds, and shall be administered by the office of financial
15 management subject to legislative appropriation.

16 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond
17 retirement account shall be used for the payment of the principal of
18 and interest on the bonds authorized in section 1 (1) and (2) of this
19 act.

20 (2) The state finance committee shall, on or before June 30th of
21 each year, certify to the state treasurer the amount needed in the
22 ensuing twelve months to meet the bond retirement and interest
23 requirements on the bonds authorized in section 1 (1) and (2) of this
24 act.

25 (3) On each date on which any interest or principal and interest
26 payment is due on bonds issued for the purposes of section 1 (1) and
27 (2) of this act, the state treasurer shall withdraw from any general
28 state revenues received in the state treasury and deposit in the debt-
29 limit general fund bond retirement account an amount equal to the
30 amount certified by the state finance committee to be due on the
31 payment date.

32 NEW SECTION. **Sec. 4.** (1) Bonds issued under sections 1 through 3
33 of this act shall state that they are a general obligation of the state
34 of Washington, shall pledge the full faith and credit of the state to

1 the payment of the principal thereof and the interest thereon, and
2 shall contain an unconditional promise to pay the principal and
3 interest as the same shall become due.

4 (2) The owner and holder of each of the bonds or the trustee for
5 the owner and holder of any of the bonds may by mandamus or other
6 appropriate proceeding require the transfer and payment of funds as
7 directed in this section.

8 NEW SECTION. **Sec. 5.** The legislature may provide additional means
9 for raising moneys for the payment of the principal of and interest on
10 the bonds authorized in section 1 of this act, and section 3 of this
11 act shall not be deemed to provide an exclusive method for the payment.

12 **Sec. 6.** RCW 39.42.060 and 2003 c 147 s 13 are each amended to read
13 as follows:

14 No bonds, notes, or other evidences of indebtedness for borrowed
15 money shall be issued by the state which will cause the aggregate debt
16 contracted by the state to exceed that amount for which payments of
17 principal and interest in any fiscal year would require the state to
18 expend more than seven percent of the arithmetic mean of its general
19 state revenues, as defined in RCW 39.42.070, for the three immediately
20 preceding fiscal years as certified by the treasurer in accordance with
21 RCW 39.42.070. It shall be the duty of the state finance committee to
22 compute annually the amount required to pay principal of and interest
23 on outstanding debt. In making such computation, the state finance
24 committee shall include all borrowed money represented by bonds, notes,
25 or other evidences of indebtedness which are secured by the full faith
26 and credit of the state or are required to be paid, directly or
27 indirectly, from general state revenues and which are incurred by the
28 state, any department, authority, public corporation or quasi public
29 corporation of the state, any state university or college, or any other
30 public agency created by the state but not by counties, cities, towns,
31 school districts, or other municipal corporations, and shall include
32 debt incurred pursuant to section 3 of Article VIII of the Washington
33 state Constitution, but shall exclude the following:

34 (1) Obligations for the payment of current expenses of state
35 government;

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

- 1 (3) Principal of and interest on bond anticipation notes;
- 2 (4) Any indebtedness which has been refunded;
- 3 (5) Financing contracts entered into under chapter 39.94 RCW;
- 4 (6) Indebtedness authorized or incurred before July 1, 1993,
5 pursuant to statute which requires that the state treasury be
6 reimbursed, in the amount of the principal of and the interest on such
7 indebtedness, from money other than general state revenues or from the
8 special excise tax imposed pursuant to chapter 67.40 RCW;
- 9 (7) Indebtedness authorized and incurred after July 1, 1993,
10 pursuant to statute that requires that the state treasury be
11 reimbursed, in the amount of the principal of and the interest on such
12 indebtedness, from (a) moneys outside the state treasury, except higher
13 education operating fees, (b) higher education building fees, (c)
14 indirect costs recovered from federal grants and contracts, and (d)
15 fees and charges associated with hospitals operated or managed by
16 institutions of higher education;
- 17 (8) Any agreement, promissory note, or other instrument entered
18 into by the state finance committee under RCW 39.42.030 in connection
19 with its acquisition of bond insurance, letters of credit, or other
20 credit support instruments for the purpose of guaranteeing the payment
21 or enhancing the marketability, or both, of any state bonds, notes, or
22 other evidence of indebtedness;
- 23 (9) Indebtedness incurred for the purposes identified in RCW
24 43.99N.020;
- 25 (10) Indebtedness incurred for the purposes of the school district
26 bond guaranty established by chapter 39.98 RCW;
- 27 (11) Indebtedness incurred for the purposes of replacing the
28 waterproof membrane over the east plaza garage and revising related
29 landscaping construction pursuant to RCW 43.99Q.070;
- 30 (12) Indebtedness incurred for the purposes of the state
31 legislative building rehabilitation, to the extent that principal and
32 interest payments of such indebtedness are paid from the capitol
33 building construction account pursuant to RCW 43.99Q.140(2)(b); (~~and~~)
- 34 (13) Indebtedness incurred for the purposes of financing projects
35 under RCW 47.10.867; and
- 36 (14) Indebtedness incurred under sections 1 through 3 of this act.
37 To the extent necessary because of the constitutional or statutory

1 debt limitation, priorities with respect to the issuance or
2 guaranteeing of bonds, notes, or other evidences of indebtedness by the
3 state shall be determined by the state finance committee.

4 NEW SECTION. **Sec. 7.** The state parks capital facilities account
5 is created in the state treasury. All receipts from bonds issued under
6 section 1(1) of this act must be deposited into the account, less
7 expenses incurred in the issuance and sale of the bonds. Moneys in the
8 account may be spent only after appropriation by the legislature.
9 Expenditures from the account may be used only for the development,
10 construction, or improvement of state park capital facilities.
11 Expenditures must include capital projects related to Saint Edward
12 state park.

13 NEW SECTION. **Sec. 8.** (1) The municipal parks capital facilities
14 account is created in the state treasury. All receipts from bonds
15 issued under section 1(2) of this act must be deposited into the
16 account, less expenses incurred in the issuance and sale of the bonds.
17 Moneys in the account may be spent only after appropriation.
18 Expenditures from the account may be used only for: (a) Competitive
19 grants to municipal corporations as provided in subsection (2) of this
20 section; and (b) distributions to counties with small populations as
21 provided in subsection (3) of this section.

22 (2)(a) The interagency committee for outdoor recreation shall
23 conduct a competitive grant process to award funds to municipal
24 corporations for the development, construction, or renovation of
25 municipal park capital facilities. Competitive grant applications may
26 only be submitted to the interagency committee for outdoor recreation
27 by cities, towns, counties, or other municipal corporations that
28 operate parks. The interagency committee for outdoor recreation must
29 rank applications according to the following criteria: (i) Recent park
30 funding levels for the municipal corporation; (ii) the current state
31 and condition of the parks within the municipal corporation relative to
32 jurisdictions of similar type and population size; (iii) the amount of
33 geographic area set aside for parks relative to jurisdictions of
34 similar type and population size; and (iv) other criteria the committee
35 deems appropriate.

1 (b) By December 3, 2008, and by the first business day of each year
2 thereafter, the interagency committee for outdoor recreation shall
3 provide a report to the appropriate committees of the legislature that
4 recommends no more than thirty million dollars of grants to municipal
5 corporations. The legislature shall, by appropriation, approve any or
6 all of the eligible grants during the immediately following legislative
7 session. After each legislative session, the director of the
8 interagency committee for outdoor recreation shall notify the state
9 finance committee of projects approved through legislative enactment.

10 (3) The legislature shall, by appropriation, approve any amount to
11 be distributed to counties with small populations under this subsection
12 (3). After each legislative session, the office of financial
13 management shall notify the state finance committee of amounts
14 authorized under this subsection (3). Upon the sale of bonds for the
15 purposes of this subsection (3), the state treasurer shall distribute
16 the proceeds to counties ratably based on population. A county must
17 promptly distribute any amounts received under this subsection (3) to
18 any cities or towns within the county ratably based on population.
19 Only counties with total populations of less than two hundred thousand
20 are eligible to receive funding under this subsection (3). Any
21 municipality that receives a distribution under this subsection (3)
22 must use the money for the development, construction, or renovation of
23 municipal park capital facilities. Population size must be determined
24 in accordance with the most recent population estimates by the office
25 of financial management for allocation of state revenue.

26 NEW SECTION. **Sec. 9.** The secretary of state shall submit this act
27 to the people for their adoption and ratification, or rejection, at the
28 next general election to be held in this state, in accordance with
29 Article II, section 1 of the state Constitution and the laws adopted to
30 facilitate its operation.

31 NEW SECTION. **Sec. 10.** Sections 1 through 5, 7, and 8 of this act
32 constitute a new chapter in Title 79A RCW.

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