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SENATE BILL 6460

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State of Washington

60th Legislature

2008 Regular Session

By Senators Fraser, Swecker, Rasmussen, and Sheldon; by request of Governor Gregoire

Read first time 01/16/08. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to authorizing state general obligation bonds for  
2 the state's share of the Centralia-Chehalis flood control project;  
3 adding a new chapter to Title 43 RCW; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** For the purpose of providing funds to  
6 finance the state's share of the Centralia-Chehalis flood control  
7 project, and all costs incidental thereto, the state finance committee  
8 is authorized to issue general obligation bonds of the state of  
9 Washington in the sum of fifty million dollars, or as much thereof as  
10 may be required, to finance this project and all costs incidental  
11 thereto. Bonds authorized in this section may be sold at such price as  
12 the state finance committee shall determine. No bonds authorized in  
13 this section may be offered for sale without prior legislative  
14 appropriation of the net proceeds of the sale of the bonds.

15 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds  
16 authorized in section 1 of this act shall be deposited in the state  
17 building construction account created by RCW 43.83.020. If the state  
18 finance committee deems it necessary to issue taxable bonds in order to

1 comply with federal internal revenue service rules and regulations  
2 pertaining to the use of nontaxable bond proceeds, the proceeds of such  
3 taxable bonds shall be transferred to the state taxable building  
4 construction account in lieu of any deposits otherwise provided by this  
5 section. The state treasurer shall submit written notice to the  
6 director of financial management if it is determined that any such  
7 transfer to the state taxable building construction account is  
8 necessary. Moneys in the account may be spent only after  
9 appropriation. These proceeds shall be used exclusively for the  
10 purposes specified in section 1 of this act and for the payment of  
11 expenses incurred in the issuance and sale of the bonds. These  
12 proceeds shall be administered by the office of financial management  
13 subject to legislative appropriation.

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

17 (2) The state finance committee shall, on or before June 30th of  
18 each year, certify to the state treasurer the amount needed in the  
19 ensuing twelve months to meet the bond retirement and interest  
20 requirements. On each date on which any interest or principal and  
21 interest payment is due the state treasurer shall withdraw from any  
22 general state revenues received in the state treasury and deposit in  
23 the debt-limit general fund bond retirement account an amount equal to  
24 the amount certified by the state finance committee to be due on the  
25 payment date.

26 NEW SECTION. **Sec. 4.** (1) Bonds issued under section 1 of this act  
27 shall state that they are a general obligation of the state of  
28 Washington, shall pledge the full faith and credit of the state to the  
29 payment of the principal thereof and the interest thereon, and shall  
30 contain an unconditional promise to pay the principal and interest as  
31 the same shall become due.

32 (2) The owner and holder of each of the bonds or the trustee for  
33 the owner and holder of any of the bonds may by mandamus or other  
34 appropriate proceeding require the transfer and payment of funds as  
35 directed in this section.

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

5        NEW SECTION.    **Sec. 6.**    The bonds authorized in section 1 of this  
6    act shall be a legal investment for all state funds or funds under  
7    state control and for all funds of any other public body.

8        NEW SECTION.    **Sec. 7.**    Sections 1 through 6 of this act constitute  
9    a new chapter in Title 43 RCW.

10       NEW SECTION.    **Sec. 8.**    If any provision of this act or its  
11   application to any person or circumstance is held invalid, the  
12   remainder of the act or the application of the provision to other  
13   persons or circumstances is not affected.

14       NEW SECTION.    **Sec. 9.**    This act is necessary for the immediate  
15   preservation of the public peace, health, or safety, or support of the  
16   state government and its existing public institutions, and takes effect  
17   immediately.

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