

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2394**

Chapter 519, Laws of 2007

60th Legislature  
2007 Regular Session

TRANSPORTATION IMPROVEMENTS--BONDS

EFFECTIVE DATE: 07/22/07

Passed by the House April 16, 2007  
Yeas 82 Nays 10

FRANK CHOPP

**Speaker of the House of Representatives**

Passed by the Senate March 31, 2007  
Yeas 44 Nays 3

BRAD OWEN

**President of the Senate**

Approved May 15, 2007, 3:24 p.m.

CHRISTINE GREGOIRE

**Governor of the State of Washington**

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2394** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

**Chief Clerk**

FILED

May 16, 2007

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2394**

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AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Clibborn, Jarrett, Kenney and Moeller)

READ FIRST TIME 03/22/07.

1            AN ACT Relating to requesting the issuance and sale of general  
2 obligation bonds for highway improvements; and amending RCW 47.10.812,  
3 47.10.813, 47.10.861, 47.10.873, 47.10.877, 47.26.420, and 47.26.425.

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

5            **Sec. 1.** RCW 47.10.812 and 1999 sp.s. c 2 s 1 are each amended to  
6 read as follows:

7            In order to provide funds necessary for the location, design, right  
8 of way, and construction of state highway improvements that are  
9 identified as special category C improvements, there shall be issued  
10 and sold upon the request of the Washington state secretary of  
11 transportation (~~(commission)~~) a total of (~~(three)~~) six hundred  
12 (~~(thirty)~~) million dollars of general obligation bonds of the state of  
13 Washington.

14            **Sec. 2.** RCW 47.10.813 and 1993 c 431 s 2 are each amended to read  
15 as follows:

16            Upon the request of the secretary of transportation (~~(commission)~~),  
17 the state finance committee shall supervise and provide for the  
18 issuance, sale, and retirement of the bonds authorized by RCW 47.10.812

1 through 47.10.817 in accordance with chapter 39.42 RCW. Bonds  
2 authorized by RCW 47.10.812 through 47.10.817 shall be sold in such  
3 manner, at such time or times, in such amounts, and at such price as  
4 the state finance committee shall determine. No such bonds may be  
5 offered for sale without prior legislative appropriation of the net  
6 proceeds of the sale of the bonds.

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

12 **Sec. 3.** RCW 47.10.861 and 2006 c 334 s 31 are each amended to read  
13 as follows:

14 In order to provide funds necessary for the location, design, right  
15 of way, and construction of selected projects or improvements that are  
16 identified as transportation 2003 projects or improvements in the  
17 omnibus transportation budget, there shall be issued and sold upon the  
18 request of the secretary of the department of transportation a total of  
19 ~~((two))~~ three billion ~~((six))~~ two hundred million dollars of general  
20 obligation bonds of the state of Washington.

21 **Sec. 4.** RCW 47.10.873 and 2005 c 315 s 1 are each amended to read  
22 as follows:

23 In order to provide funds necessary for the location, design, right  
24 of way, and construction of selected projects or improvements that are  
25 identified as 2005 transportation partnership projects or improvements  
26 in the omnibus transportation budget ~~((~~2005 c 313~~))~~ chapter 313, Laws  
27 of 2005, there shall be issued and sold upon the request of the  
28 department of transportation a total of five billion ~~((one))~~ three  
29 hundred million dollars of general obligation bonds of the state of  
30 Washington.

31 **Sec. 5.** RCW 47.10.877 and 2005 c 315 s 5 are each amended to read  
32 as follows:

33 Both principal and interest on the bonds issued for the purposes of  
34 RCW 47.10.873 through 47.10.878 shall be payable from the highway bond  
35 retirement fund. The state finance committee may provide that a

1 special account be created in the fund to facilitate payment of the  
2 principal and interest. The state finance committee shall, on or  
3 before June 30th of each year, certify to the state treasurer the  
4 amount required for principal and interest on the bonds in accordance  
5 with the bond proceedings. The state treasurer shall withdraw revenues  
6 from the transportation partnership account in the motor vehicle fund  
7 and deposit in the highway bond retirement fund, or a special account  
8 in the fund, such amounts, and at such times, as are required by the  
9 bond proceedings.

10 Any funds required for bond retirement or interest on the bonds  
11 authorized by RCW 47.10.873 through 47.10.878 shall be taken from that  
12 portion of the motor vehicle fund that results from the imposition of  
13 excise taxes on motor vehicle and special fuels and that is distributed  
14 to the transportation partnership account in the motor vehicle fund.  
15 Funds required shall never constitute a charge against any other  
16 allocations of motor vehicle fuel and special fuel tax revenues to the  
17 state, counties, cities, and towns unless the amount arising from  
18 excise taxes on motor vehicle and special fuels distributed to the  
19 transportation ((2005—[partnership])) partnership account proves  
20 insufficient to meet the requirements for bond retirement or interest  
21 on any such bonds.

22 Any payments for bond retirement or interest on the bonds taken  
23 from other revenues from the motor vehicle fuel or special fuel taxes  
24 that are distributable to the state, counties, cities, and towns shall  
25 be repaid from the first revenues from the motor vehicle fuel or  
26 special fuel taxes distributed to the transportation partnership  
27 account not required for bond retirement or interest on the bonds.

28 **Sec. 6.** RCW 47.26.420 and 1981 c 315 s 5 are each amended to read  
29 as follows:

30 In order to provide funds necessary to meet the urgent construction  
31 needs on county and city arterials within urban areas, there are hereby  
32 authorized for issuance general obligation bonds of the state of  
33 Washington, the first authorization of which shall be in the sum of two  
34 hundred fifty million dollars, and the second authorization of which,  
35 to be known as series II bonds, shall be in the sum of sixty million  
36 dollars, and the third authorization of which, to be known as series  
37 III bonds, shall be in the sum of one hundred million dollars, which

1 shall be issued and sold in such amounts and at such times as  
2 determined to be necessary by the ((state)) transportation  
3 ((commission)) improvement board. The amount of such bonds issued and  
4 sold under the provisions of RCW 47.26.420 through 47.26.427 in any  
5 biennium shall not exceed the amount of a specific appropriation  
6 therefor, from the proceeds of such bonds, for the construction of  
7 county and city arterials in urban areas. The issuance, sale, and  
8 retirement of said bonds shall be under the supervision and control of  
9 the state finance committee which, upon request being made by the  
10 ((state)) transportation ((commission)) improvement board, shall  
11 provide for the issuance, sale, and retirement of coupon or registered  
12 bonds to be dated, issued, and sold from time to time in such amounts  
13 as shall be requested by the ((state)) transportation ((commission))  
14 improvement board.

15 **Sec. 7.** RCW 47.26.425 and 1999 sp.s. c 1 s 609 are each amended to  
16 read as follows:

17 Any funds required to repay the first authorization of two hundred  
18 fifty million dollars of bonds authorized by RCW 47.26.420, as amended  
19 by section 18, chapter 317, Laws of 1977 ex. sess. or the interest  
20 thereon when due, shall be taken from that portion of the motor vehicle  
21 fund which results from the imposition of excise taxes on motor vehicle  
22 and special fuels and which is distributed to the urban arterial trust  
23 account in the motor vehicle fund pursuant to RCW 46.68.090((~~1~~)(~~g~~))  
24 (2)(e), and shall never constitute a charge against any allocations of  
25 any other such funds in the motor vehicle fund to the state, counties,  
26 cities, and towns unless and until the amount of the motor vehicle fund  
27 arising from the excise tax on motor vehicle and special fuels and  
28 distributed to the urban arterial trust account proves insufficient to  
29 meet the requirements for bond retirement or interest on any such  
30 bonds.

Passed by the House April 16, 2007.

Passed by the Senate March 31, 2007.

Approved by the Governor May 15, 2007.

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