

RCW 81.112.300 Sale and leaseback, similar transactions—

Authorized. (1) In order to enable regional transit authorities to acquire or finance equipment or facilities, or reduce the cost of equipment or facilities, regional transit authorities may enter into sale and leaseback, leaseout and leaseback, and other similar transactions with respect to equipment, facilities, and other real and personal property. In connection with any such transaction, a regional transit authority may execute, as it considers appropriate, contracts, agreements, notes, security agreements, conveyances, bills of sale, deeds, leases as lessee or lessor, and currency hedges, defeasance arrangements, interest rate, currency or other swap transactions, one or more payment undertaking agreements, and agreements relating to foreign and domestic currency. These agreements or instruments must have terms, maturities, durations, provisions as to governing laws, grants of security interests, and other provisions that are approved by the board of the regional transit authority.

(2) "Payment undertaking agreement" means one or more agreements, undertakings or arrangements under which all or a portion of the funds generated by a sale and leaseback, leaseout and leaseback, or other similar transaction are directed or paid over to a financial institution, insurance company, or other entity that agrees to meet or fulfill, in consideration for the funds, some or all of the obligations of the regional transit authority, or any public corporation or other entity created under RCW 81.112.320, to make future rent, debt service, or purchase price installment payments in connection with the transaction. [2000 2nd sp.s. c 4 § 18.]

Findings—2000 2nd sp.s. c 4 §§ 18-30: "The legislature finds that additional funds or other benefits can be made available to Washington regional transit authorities by facilitating their entry into sale and leaseback, leaseout and leaseback, and similar transactions that provide to private parties, in consideration for the funds or other benefits obtained by the regional transit authorities, tax benefits that are not otherwise available to regional transit authorities. The legislature further finds that such transactions have been encouraged by agencies of the federal government as ways to provide additional funds for public facilities. To facilitate such transactions for regional transit authorities, the legislature has determined that while regional transit authorities may currently have the necessary statutory authority and may currently enjoy exemptions from Washington state taxes for such transactions, an explicit statement of statutory authority and exemption from Washington state taxes is necessary and helpful for the parties to such transactions. In recognition of the complexity of such transactions, the legislature desires that the authority and exemptions provided by RCW 81.112.300, 81.112.310, 81.112.320, 82.08.834, 82.12.834, 82.04.050, 82.04.4201, 82.29A.134, 82.45.010, 84.36.605, 35.21.756, 35.21.755, and 81.112.330 be subject to certain limitations and be granted for a period as specified in RCW 81.112.330." [2000 2nd sp.s. c 4 § 17.]

Construction—2000 2nd sp.s. c 4 §§ 18-30: "The authority granted by RCW 81.112.300, 81.112.310, 81.112.320, 82.08.834, 82.12.834, 82.04.050, 82.04.4201, 82.29A.134, 82.45.010, 84.36.605, 35.21.756, 35.21.755, and 81.112.330 is in addition and supplemental to any authority previously granted and does not limit nor is limited by any other powers or authority previously granted to regional transit

authorities or any public corporation, or restrictions on such powers or authority. Nothing in RCW 81.112.300, 81.112.310, 81.112.320, 82.08.834, 82.12.834, 82.04.050, 82.04.4201, 82.29A.134, 82.45.010, 84.36.605, 35.21.756, 35.21.755, and 81.112.330 limits other statutory authority previously granted to regional transit authorities or public corporations or other tax exemptions granted to regional transit authorities or public corporations. Nothing in RCW 81.112.300, 81.112.310, 81.112.320, 82.08.834, 82.12.834, 82.04.050, 82.04.4201, 82.29A.134, 82.45.010, 84.36.605, 35.21.756, 35.21.755, and 81.112.330 limits the authority of the state, any political subdivision thereof, or any other public or municipal corporation to undertake the activities described in RCW 81.112.300, 81.112.310, 81.112.320, 82.08.834, 82.12.834, 82.04.050, 82.04.4201, 82.29A.134, 82.45.010, 84.36.605, 35.21.756, 35.21.755, and 81.112.330 as expressly or impliedly authorized by other provisions of law. Nothing in RCW 81.112.300, 81.112.310, 81.112.320, 82.08.834, 82.12.834, 82.04.050, 82.04.4201, 82.29A.134, 82.45.010, 84.36.605, 35.21.756, 35.21.755, and 81.112.330 is an authorization to provide indemnification to the extent the indemnification is prohibited or restricted by other provisions of law or the Constitution of the state of Washington." [2000 2nd sp.s. c 4 § 31.]