
SUBSTITUTE HOUSE BILL 1430

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Capital Facilities & Financing (originally sponsored by Representative H. Sommers; by request of Governor Gardner).

Read first time April 17, 1991.

1 AN ACT Relating to state general obligation and revenue bonds and
2 related accounts; amending RCW 28B.14D.900, 43.01.090, and 46.08.172;
3 adding a new chapter to Title 43 RCW; creating a new section; and
4 declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The state finance committee is
7 authorized to issue general obligation bonds of the state of Washington
8 in the sum of one billion eighty-six million dollars, or so much
9 thereof as may be required, to finance the projects described and
10 authorized by the legislature in the capital and operating
11 appropriations acts for the 1991-1993 fiscal biennium and subsequent
12 fiscal biennia, and all costs incidental thereto.

13 Bonds authorized in this section shall be sold in such manner, at
14 such time or times, in such amounts, and at such price as the state
15 finance committee shall determine. No such bonds may be offered for

1 sale without prior legislative appropriation of the net proceeds of the
2 sale of the bonds. The state finance committee may obtain insurance,
3 letters of credit, or other credit enhancements and may authorize the
4 execution and delivery of agreements, promissory notes, and other
5 obligations for the purpose of insuring the payment or enhancing the
6 marketability of bonds authorized in this section. Promissory notes or
7 other obligations issued pursuant to this section shall not constitute
8 a debt or the contracting of indebtedness under any constitutional or
9 statutory indebtedness limitation if their payment is conditioned upon
10 the failure of the state to pay the principal of or interest on the
11 bonds with respect to which the same relate.

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

17 NEW SECTION. **Sec. 2.** Bonds issued under section 1 of this act
18 are subject to the following conditions and limitations:

19 General obligation bonds of the state of Washington in the sum of
20 one billion eighty-six million dollars, or so much thereof as may be
21 required, shall be issued for the purposes described and authorized by
22 the legislature in the capital and operating appropriations acts for
23 the 1991-93 fiscal biennium and subsequent fiscal biennia, and to
24 provide for the administrative cost of such projects, including costs
25 of bond issuance and retirement, salaries and related costs of
26 officials and employees of the state, costs of insurance or credit
27 enhancement agreements, and other expenses incidental to the
28 administration of capital projects. Subject to such changes as may be
29 required in the appropriations acts, the proceeds from the sale of the

1 bonds issued for the purposes of this subsection shall be deposited in
2 the state building construction account created by RCW 43.83.020 and
3 transferred as follows:

4 (1) Eight hundred thirty-five thousand dollars to the state higher
5 education construction account created by RCW 28B.10.851;

6 (2) One billion thirty-three million fifty thousand dollars to the
7 state building construction account created by RCW 43.83.020;

8 (3) Twenty million eight hundred thousand dollars to the energy
9 efficiency construction account created by section ..., chapter ...,
10 Laws of 1991 (Engrossed Substitute House Bill No. 1427).

11 These proceeds shall be used exclusively for the purposes specified
12 in this subsection, and for the payment of expenses incurred in the
13 issuance and sale of the bonds issued for the purposes of this section,
14 and shall be administered by the office of financial management,
15 subject to legislative appropriation.

16 NEW SECTION. **Sec. 3.** Both principal of and interest on the
17 bonds issued for the purposes specified in section 2 (1) through (3) of
18 this act shall be payable from the state general obligation bond
19 retirement fund. The state finance committee may provide that a
20 special account be created in such fund to facilitate payment of such
21 principal and interest.

22 The state finance committee shall, on or before June 30th of each
23 year, certify to the state treasurer the amount required to provide for
24 the payment of principal and interest on such bonds during the ensuing
25 fiscal year in accordance with the provisions of the bond proceedings.
26 The state treasurer shall withdraw from any general state revenues
27 received in the state treasury and deposit in the state general
28 obligation bond retirement fund, or a special account in such fund,
29 such amounts and at such times as are required by the bond proceedings.

1 NEW SECTION. **Sec. 4.** For bonds issued for the purposes of
2 section 2(3) of this act, on each date on which any interest or
3 principal and interest payment is due, the state treasurer shall
4 transfer the amount computed in section 3 of this act from energy
5 services account created in section ..., chapter ..., Laws of 1991
6 (Engrossed Substitute House Bill No. 1427) to the general fund of the
7 state treasury.

8 NEW SECTION. **Sec. 5.** In addition to any other charges
9 authorized by law and to assist in the reimbursement of principal and
10 interest payments on bonds issued for the purposes of section 2(3) of
11 this act, the director of the energy office shall cause to be
12 accumulated in the energy services account, from project revenues, loan
13 repayments, and other moneys legally available for such purposes,
14 amounts adequate to make payments of principal of and interest coming
15 due on general obligation bonds issued pursuant to this chapter. As
16 needed during each fiscal year, the director shall cause amounts so
17 accumulated to be deposited into the general fund of the state
18 treasury. In the event that the director is unable to accumulate and
19 transfer the full amount necessary for such payments of principal of
20 and interest coming due on bonds, any shortfall shall be credited to an
21 account receivable from the energy office in the state treasury.

22 NEW SECTION. **Sec. 6.** Bonds issued under section 1 of this act
23 shall state that they are a general obligation of the state of
24 Washington, shall pledge the full faith and credit of the state to the
25 payment of the principal thereof and the interest thereon, and shall
26 contain an unconditional promise to pay the principal and interest as
27 the same shall become due.

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

5 NEW SECTION. **Sec. 7.** The legislature may provide additional
6 means for raising moneys for the payment of the principal of and
7 interest on the bonds authorized in section 1 of this act, and sections
8 3 and 4 of this act shall not be deemed to provide an exclusive method
9 for the payment.

10 NEW SECTION. **Sec. 8.** The bonds authorized in section 1 of
11 this act shall be a legal investment for all state funds or funds under
12 state control and for all funds of any other public body.

13 **Sec. 9.** RCW 28B.14D.900 and 1985 c 390 s 9 are each amended to
14 read as follows:

15 No provision of this chapter or chapter 43.99 RCW, or of RCW
16 28B.20.750 through 28B.20.758 shall be deemed to repeal, override, or
17 limit any provision of RCW 28B.10.300 through 28B.10.335, 28B.15.210,
18 28B.15.310, ((28B.15.401,)) 28B.20.700 through 28B.20.745, 28B.30.700
19 through 28B.30.780, or 28B.35.700 through 28B.35.790, ((or 28B.40.700
20 through 28B.40.790,)) nor any provision or covenant of the proceedings
21 of the board of regents or board of trustees of any state institution
22 of higher education heretofore or hereafter taken in the issuance of
23 its revenue bonds secured by a pledge of its building fees and/or other
24 revenues mentioned within such statutes. The obligation of ((the))
25 such boards to make the transfers provided for in RCW 28B.14D.070 ((and
26 in RCW)), 28B.14C.080(2), 28B.14C.090(2), 28B.14C.100(2),
27 28B.14C.110(2), 28B.14C.120(2), ((and)) 28B.14C.130(2), 28B.14G.060,

1 28B.20.757, 43.99G.070, and 43.99H.060 (1) and (4), and in any similar
2 law heretofore or hereafter enacted shall be subject and subordinate to
3 the lien and charge of any revenue bonds heretofore or hereafter
4 issued((τ)) by such boards on the building fees and/or other revenues
5 pledged to secure such revenue bonds, and on the moneys in the building
6 account or capital project account and the individual institutions of
7 higher education bond retirement funds.

8 **Sec. 10.** RCW 43.01.090 and 1979 c 151 s 81 are each amended to
9 read as follows:

10 The director of general administration may assess a charge or rent
11 against each state board, commission, agency, office, department,
12 activity, or other occupant or user for payment of a ~~((proportion))~~
13 proportionate share of costs for occupancy of buildings, structures, or
14 facilities including but not limited to all costs of acquiring,
15 constructing, operating, and maintaining such buildings, structures, or
16 facilities and the repair, remodeling, or furnishing thereof and for
17 the rendering of any service or the furnishing or providing of any
18 supplies, equipment, or materials.

19 The director of general administration may recover the full costs
20 including appropriate overhead charges of the foregoing by periodic
21 billings ~~((either quarterly or semiannually))~~ as determined by the
22 director including but not limited to transfers upon accounts and
23 advancements into the general administration facilities and services
24 revolving fund. Rates shall be established by the director of general
25 administration after consultation with the director of financial
26 management. The director of general administration may allot, provide,
27 or furnish any of such facilities, structures, services, equipment,
28 supplies, or materials to any other public service type occupant or
29 user at such rates or charges as are equitable and reasonably reflect

1 the actual costs of the services provided: PROVIDED, HOWEVER, That the
2 legislature, its duly constituted committees, interim committees and
3 other committees shall be exempted from the provisions of this section.
4 (~~Billings shall be adjusted at intervals of not to exceed six months~~
5 ~~to reflect any change in actual costs relative to whatever estimates~~
6 ~~may have been made for budget purposes.))~~

7 Upon receipt of such bill, each entity, occupant, or user shall
8 cause a warrant or check in the amount thereof to be drawn in favor of
9 the department of general administration which shall be deposited in
10 the state treasury to the credit of the general administration
11 facilities and services revolving fund established in RCW 43.19.500
12 unless the director of financial management has authorized another
13 method for payment of costs.

14 NEW SECTION. **Sec. 11.** The director of general administration,
15 in cooperation with the director of the office of financial management,
16 shall develop a plan for assessing rental charges under RCW 43.01.090
17 to occupants of all buildings planned or constructed with moneys
18 appropriated from bond proceeds. The plan shall set forth a timetable
19 for imposing the charges, giving priority to imposing charges relating
20 to buildings on the capitol campus. The plan shall show the
21 relationship of the proposed charges to the costs of acquiring,
22 constructing, operating, maintaining, repairing, furnishing, and
23 supplying the buildings. The plan shall include any recommendations
24 for budget and accounting changes necessary to implement the rental
25 charges. The plan shall be submitted to the capital facilities and
26 financing committee of the house of representatives and the senate ways
27 and means committee by December 1, 1991.

1 **Sec. 12.** RCW 46.08.172 and 1988 ex.s. c 2 s 901 are each amended
2 to read as follows:

3 There is hereby established an account in the state treasury to be
4 known as the "state capitol vehicle parking account". The director of
5 the department of general administration shall establish ~~((an))~~
6 equitable and consistent ~~((employee))~~ parking rental fees for state-
7 owned or leased property, ~~((effective July 1, 1988))~~ to be charged to
8 employees, visitors, clients, service providers, and others, which
9 reflect the legislature's intent to reduce state subsidization of
10 parking. All fees shall take into account the market rate of
11 comparable privately owned rental parking, as determined by the
12 director. All unpledged parking rental income collected by the
13 department of general administration from rental of parking space on
14 the capitol grounds and the east capitol site shall be deposited in the
15 "state capitol vehicle parking account". All earnings of investments
16 of balances in the state capitol vehicle parking account shall be
17 credited to the general fund.

18 The "state capitol vehicle parking account" shall be used to pay
19 costs incurred in the operation, maintenance, regulation and
20 enforcement of vehicle parking and parking facilities at the state
21 capitol.

22 NEW SECTION. **Sec. 13.** If any provision of this act or its
23 application to any person or circumstance is held invalid, the
24 remainder of the act or the application of the provision to other
25 persons or circumstances is not affected.

26 NEW SECTION. **Sec. 14.** Sections 1 through 8 of this act shall
27 constitute a new chapter in Title 43 RCW.

1 NEW SECTION. **Sec. 15.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and shall take
4 effect immediately.