
SENATE BILL 5392

State of Washington

54th Legislature

1995 Regular Session

By Senators Owen, Prince and Wood

Read first time 01/23/95. Referred to Committee on Transportation.

1 AN ACT Relating to state highway bonds; and adding new sections to
2 chapter 47.02 RCW.

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

4 NEW SECTION. **Sec. 1.** In order to provide funds necessary for the
5 location, design, real property acquisition, and construction or
6 reconstruction of state department of transportation regional
7 facilities, together with all improvements and equipment required to
8 make the facilities suitable for the department's use, there shall be
9 issued and sold upon the request of the Washington state transportation
10 commission a total of seventy million dollars of general obligation
11 bonds of the state of Washington.

12 NEW SECTION. **Sec. 2.** Upon the request of the transportation
13 commission, the state finance committee shall supervise and provide for
14 the issuance, sale, and retirement of the bonds authorized by sections
15 1 through 6 of this act in accordance with chapter 39.42 RCW. Bonds
16 authorized by sections 1 through 6 of this act shall be sold in such
17 manner, at such time or times, in such amounts, and at such price as
18 the state finance committee shall determine. No such bonds may be

1 offered for sale without prior legislative appropriation of the net
2 proceeds of the sale of the bonds.

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

8 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds
9 authorized by sections 1 through 6 of this act shall be deposited in
10 the motor vehicle fund. The proceeds shall be available only for the
11 purposes enumerated in section 1 of this act, for the payment of bond
12 anticipation notes, if any, and for the payment of bond issuance costs,
13 including the costs of underwriting.

14 NEW SECTION. **Sec. 4.** Bonds issued under the authority of sections
15 1 through 6 of this act shall distinctly state that they are a general
16 obligation of the state of Washington, shall pledge the full faith and
17 credit of the state to the payment of the principal thereof and the
18 interest thereon, and shall contain an unconditional promise to pay
19 such principal and interest as the same shall become due. The
20 principal and interest on the bonds shall be first payable in the
21 manner provided in sections 1 through 6 of this act from the proceeds
22 of the state excise taxes on motor vehicle and special fuels imposed by
23 chapters 82.36, 82.37, and 82.38 RCW. Proceeds of such excise taxes
24 are hereby pledged to the payment of any bonds and the interest thereon
25 issued under the authority of sections 1 through 6 of this act, and the
26 legislature agrees to continue to impose these excise taxes on motor
27 vehicle and special fuels in amounts sufficient to pay, when due, the
28 principal and interest on all bonds issued under the authority of
29 sections 1 through 6 of this act.

30 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
31 issued for the purposes of sections 1 through 6 of this act shall be
32 payable from the highway bond retirement fund. The state finance
33 committee may provide that a special account be created in the fund to
34 facilitate payment of the principal and interest. The state finance
35 committee shall, on or before June 30th of each year, certify to the
36 state treasurer the amount required for principal and interest on the

1 bonds in accordance with the bond proceedings. The state treasurer
2 shall withdraw revenues from the motor vehicle fund and deposit in the
3 highway bond retirement fund, or a special account in the fund, such
4 amounts, and at such times, as are required by the bond proceedings.

5 Any funds required for bond retirement or interest on the bonds
6 authorized by sections 1 through 6 of this act shall be taken from that
7 portion of the motor vehicle fund that results from the imposition of
8 excise taxes on motor vehicle and special fuels and which is, or may be
9 appropriated to the department of transportation for state highway
10 purposes. Funds required shall never constitute a charge against any
11 other allocations of motor vehicle fuel and special fuel tax revenues
12 to the state, counties, cities, and towns unless the amount arising
13 from excise taxes on motor vehicle and special fuels distributed to the
14 state in the motor vehicle fund proves insufficient to meet the
15 requirements for bond retirement or interest on any such bonds.

16 Any payments for bond retirement or interest on the bonds taken
17 from other revenues from the motor vehicle fuel or special fuel taxes
18 that are distributed to the state, counties, cities, and towns, shall
19 be repaid from the first revenues from the motor vehicle fuel or
20 special fuel taxes distributed to the motor vehicle fund not required
21 for bond retirement or interest on the bonds.

22 NEW SECTION. **Sec. 6.** Bonds issued under the authority of sections
23 1 through 5 of this act and this section and any other general
24 obligation bonds of the state of Washington that have been or that may
25 be authorized and that pledge motor vehicle and special fuels excise
26 taxes for the payment of principal and interest thereon shall be an
27 equal charge against the revenues from such motor vehicle and special
28 fuels excise taxes.

29 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act are each
30 added to chapter 47.02 RCW.

31 NEW SECTION. **Sec. 8.** If any provision of this act or its
32 application to any person or circumstance is held invalid, the
33 remainder of the act or the application of the provision to other
34 persons or circumstances is not affected.

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