
SUBSTITUTE SENATE BILL 6460

State of Washington

60th Legislature

2008 Regular Session

By Senate Ways & Means (originally sponsored by Senators Fraser, Swecker, Rasmussen, and Sheldon; by request of Governor Gregoire)

READ FIRST TIME 02/28/08.

1 AN ACT Relating to state general obligation bonds for flood hazard
2 mitigation projects; adding a new chapter to Title 43 RCW; and
3 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 state funds for
6 federally matched flood hazard mitigation and other projects throughout
7 the Chehalis river basin, the state finance committee is authorized to
8 issue general obligation bonds of the state of Washington in the sum of
9 fifty million dollars, or as much thereof as may be required, to
10 finance the projects and all costs incidental thereto. Bonds
11 authorized in this section may be sold at such price as the state
12 finance committee shall determine. No bonds authorized in this section
13 may be offered for sale without prior legislative appropriation of the
14 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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