
HOUSE BILL 2989

State of Washington

52nd Legislature

1992 Regular Session

By Representative R. Fisher; by request of Department of Transportation
Read first time February 14, 1992. Referred to Committee on
Transportation.

1 AN ACT Relating to state ferry bonds; and amending RCW 47.60.560
2 and 47.60.620.

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

4 **Sec. 1.** RCW 47.60.560 and 1986 c 290 s 8 are each amended to read
5 as follows:

6 (1) In order to provide funds necessary for vessel acquisition,
7 vessel construction, major and minor vessel improvements, and terminal
8 construction and improvements for the Washington state ferries, there
9 shall be issued and sold upon the request of the department general
10 obligation bonds of the state of Washington in the sum of one hundred
11 thirty-five million dollars or such amount thereof as may be required
12 (together with other funds available therefor). If the state of
13 Washington is able to obtain matching funds from the urban mass
14 transportation administration or other federal government agencies for

1 the acquisition of passenger-only vessels capable of operating as an
2 integral part of the Washington state ferries on Puget Sound and the
3 Straits of Juan de Fuca, a sufficient amount of the proceeds of the
4 bonds authorized herein shall be used to pay the state's share of the
5 acquisition cost of the passenger-only vessels.

6 (2) In order to provide funds necessary for vessel and terminal
7 acquisition, construction, and major and minor improvements, including
8 long lead time materials acquisition for the Washington state ferries,
9 there shall be issued and sold, upon the request of the Washington
10 state transportation commission and an appropriation by the
11 legislature, a total of ten million dollars of general obligation bonds
12 of the state of Washington.

13 (3) Upon request being made by the department, the state finance
14 committee shall supervise and provide for the issuance, sale, and
15 retirement of the bonds in accordance with chapter 39.42 RCW. The
16 bonds may be sold from time to time in such amounts as may be necessary
17 for the orderly progress in constructing the ferries. The bonds shall
18 be sold in such manner, at such time or times, in such amounts, and at
19 such price or prices as the state finance committee shall determine.
20 The state finance committee may obtain insurance, letters of credit, or
21 other credit facility devices with respect to the bonds and may
22 authorize the execution and delivery of agreements, promissory notes,
23 and other obligations for the purpose of insuring the payment or
24 enhancing the marketability of the bonds. Promissory notes or other
25 obligations issued under this section shall not constitute a debt or
26 the contracting of indebtedness under any constitutional or statutory
27 indebtedness limitation if their payment is conditioned upon the
28 failure of the state to pay the principal of or interest on the bonds
29 with respect to which the promissory notes or other obligations relate.
30 The state finance committee may authorize the issuance of short-term

1 obligations in lieu of long-term obligations for the purposes of more
2 favorable interest rates, lower total interest costs, and increased
3 marketability and for the purposes of retiring the bonds during the
4 life of the project for which they were issued.

5 **Sec. 2.** RCW 47.60.620 and 1986 c 66 s 11 are each amended to read
6 as follows:

7 (1) Whenever, pursuant to RCW 47.60.560(1) and 47.60.600, the state
8 treasurer shall transfer funds from the motor vehicle fund to the ferry
9 bond retirement fund, the state treasurer shall at the same time
10 reimburse the motor vehicle fund in an identical amount from the Puget
11 Sound capital construction account. After each transfer by the
12 treasurer of funds from the motor vehicle fund to the bond retirement
13 fund and to the extent permitted by RCW 47.60.420, 47.60.505(3), and
14 47.60.505(4), the obligation to reimburse the motor vehicle fund as
15 required herein shall constitute a first and prior charge against the
16 funds within and accruing to the Puget Sound capital construction
17 account, including the proceeds of the additional two-tenths of one
18 percent excise tax imposed by RCW 82.44.020, as amended by chapter 332,
19 Laws of 1977 ex. sess.

20 (2) Whenever pursuant to RCW 47.60.560(2) and 47.60.600, the state
21 treasurer transfers funds from the motor vehicle fund to the ferry bond
22 retirement fund, the state treasurer may at the same time reimburse the
23 motor vehicle fund in an identical amount from the Puget Sound capital
24 construction account.

25 (3) All funds reimbursed to the motor vehicle fund as provided
26 herein shall be distributed to the state for expenditure pursuant to
27 RCW 46.68.130.