
SENATE BILL 5767

State of Washington 52nd Legislature 1991 Regular Session

By Senators Sellar, Pelz and von Reichbauer.

Read first time February 19, 1991. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to public utility districts borrowing or
2 establishing lines of credit with any financial institution; and
3 amending RCW 54.16.070.

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

5 **Sec. 1.** RCW 54.16.070 and 1984 c 186 s 44 are each amended to read
6 as follows:

7 (1) A district may contract indebtedness or borrow money for any
8 corporate purpose on its credit or on the revenues of its public
9 utilities, and to evidence such indebtedness may issue general
10 obligation bonds or revenue obligations; may issue and sell local
11 utility district bonds of districts created by the commission, and may
12 purchase with surplus funds such local utility district bonds, and may
13 create a guaranty fund to insure prompt payment of all local utility
14 district bonds. The general obligation bonds shall be issued and sold
15 in accordance with chapter 39.46 RCW. A district is authorized to

1 establish lines of credit or make other prearranged agreements, or
2 both, to borrow money with any financial institution.

3 (2) Notwithstanding subsection (1) of this section, such revenue
4 obligations and local utility district bonds may be issued and sold in
5 accordance with chapter 39.46 RCW.