

1 5719.E AMS SNYD S3550.5

2 ESB 5719 - S AMD

3 By Senators Snyder and Quigley

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5 Strike everything after the enacting clause and insert the  
6 following:

7 NEW SECTION. **Sec. 1.** For the purpose of providing funds to  
8 finance the projects described and authorized by the legislature in the  
9 capital and operating appropriations acts for the 1993-95 fiscal  
10 biennium, and all costs incidental thereto, the state finance committee  
11 is authorized to issue general obligation bonds of the state of  
12 Washington in the sum of nine hundred twenty-six million seven hundred  
13 thirty-seven thousand dollars, or so much thereof as may be required,  
14 to finance these projects and all costs incidental thereto. Bonds  
15 authorized in this section may be sold at such price as the state  
16 finance committee shall determine. No bonds authorized in this section  
17 may be offered for sale without prior legislative appropriation of the  
18 net proceeds of the sale of the bonds.

19 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds  
20 authorized in section 1 of this act shall be deposited in the state  
21 building construction account created by RCW 43.83.020. The proceeds  
22 shall be transferred as follows:

23 (1) Nine hundred three million dollars to remain in the state  
24 building construction account created by RCW 43.83.020; and

25 (2) One million five hundred thousand dollars to the fruit  
26 commission facility account.

27 These proceeds shall be used exclusively for the purposes specified  
28 in this section, and for the payment of expenses incurred in the  
29 issuance and sale of the bonds issued for the purposes of this section,  
30 and shall be administered by the office of financial management subject  
31 to legislative appropriation.

32 NEW SECTION. **Sec. 3.** (1) The state general obligation bond  
33 retirement fund shall be used for the payment of the principal of and  
34 interest on the bonds authorized in section 2 of this act.

1 (2) The state finance committee shall, on or before June 30th of  
2 each year, certify to the state treasurer the amount needed in the  
3 ensuing twelve months to meet the bond retirement and interest  
4 requirements. On the date on which any interest or principal and  
5 interest payment is due, the state treasurer shall withdraw from any  
6 general state revenues received in the state treasury and deposit in  
7 the general obligation bond retirement fund an amount equal to the  
8 amount certified by the state finance committee to be due on the  
9 payment date.

10 (3) Bonds issued under section 1 of this act shall state that they  
11 are a general obligation of the state of Washington, shall pledge the  
12 full faith and credit of the state to the payment of the principal  
13 thereof and the interest thereon, and shall contain an unconditional  
14 promise to pay the principal and interest as the same shall become due.

15 (4) The owner and holder of each of the bonds or the trustee for  
16 the owner and holder of any of the bonds may by mandamus or other  
17 appropriate proceeding require the transfer and payment of funds as  
18 directed in this section.

19 NEW SECTION. **Sec. 4.** On each date on which any interest or  
20 principal and interest payment is due for the purposes of section 2(2)  
21 of this act, the Washington state fruit commission shall cause the  
22 amount computed by the state finance committee in section 3 of this act  
23 for the purposes of section 2(2) of this act to be paid out of the  
24 commission's general operating fund to the state treasurer for deposit  
25 into the general fund of the state treasury.

26 NEW SECTION. **Sec. 5.** The bonds authorized in section 2(2) of this  
27 act may be issued only after the director of financial management has:  
28 (1) Certified that, based on the future income from assessments levied  
29 under this chapter and other revenues collected by the commission, an  
30 adequate balance will be maintained in the commission's general  
31 operating fund to pay the interest or principal and interest payments  
32 due under section 4 of this act for the life of the bonds; and (2)  
33 approved the plans for facility.

34 NEW SECTION. **Sec. 6.** The fruit commission facility account is  
35 created in the state treasury. Moneys in the account may be spent only  
36 after appropriation.

1        NEW SECTION.    **Sec. 7.** 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. 8.** 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        **Sec. 9.** RCW 67.40.045 and 1992 c 4 s 1 are each amended to read as  
9 follows:

10        (1) The director of financial management, in consultation with the  
11 chairpersons of the ways and means committees of the senate and house  
12 of representatives, may authorize temporary borrowing from the state  
13 treasury for the purpose of covering cash deficiencies in the state  
14 convention and trade center account resulting from project completion  
15 costs. Subject to the conditions and limitations provided in this  
16 section, lines of credit may be authorized at times and in amounts as  
17 the director of financial management determines are advisable to meet  
18 current and/or anticipated cash deficiencies. Each authorization shall  
19 distinctly specify the maximum amount of cash deficiency which may be  
20 incurred and the maximum time period during which the cash deficiency  
21 may continue. The total amount of borrowing outstanding at any time  
22 shall never exceed the lesser of:

23        (a) \$58,275,000; or

24        (b) An amount, as determined by the director of financial  
25 management from time to time, which is necessary to provide for payment  
26 of project completion costs.

27        (2) Unless the due date under this subsection is extended by  
28 statute, all amounts borrowed under the authority of this section shall  
29 be repaid to the state treasury by June 30, (~~(1995)~~) 1997, together  
30 with interest at a rate determined by the state treasurer to be  
31 equivalent to the return on investments of the state treasury during  
32 the period the amounts are borrowed. Borrowing may be authorized from  
33 any excess balances in the state treasury, except the agricultural  
34 permanent fund, the Millersylvania park permanent fund, the state  
35 university permanent fund, the normal school permanent fund, the  
36 permanent common school fund, and the scientific permanent fund.

37        (3) As used in this section, "project completion" means:

1 (a) All remaining development, construction, and administrative  
2 costs related to completion of the convention center; and

3 (b) Costs of the McKay building demolition, Eagles building  
4 rehabilitation, development of low-income housing, and construction of  
5 rentable retail space and an operable parking garage.

6 (4) It is the intent of the legislature that project completion  
7 costs be paid ultimately from the following sources:

8 (a) \$29,250,000 to be received by the corporation under an  
9 agreement and settlement with Industrial Indemnity Co.;

10 (b) \$1,070,000 to be received by the corporation as a contribution  
11 from the city of Seattle;

12 (c) \$20,000,000 from additional general obligation bonds to be  
13 repaid from the special excise tax under RCW 67.40.090;

14 (d) \$4,765,000 for contingencies and project reserves from  
15 additional general obligation bonds to be repaid from the special  
16 excise tax under RCW 67.40.090;

17 (e) \$13,000,000 for conversion of various retail and other space to  
18 meeting rooms, from additional general obligation bonds to be repaid  
19 from the special excise tax under RCW 67.40.090;

20 (f) \$13,300,000 for expansion at the 900 level of the facility,  
21 from additional general obligation bonds to be repaid from the special  
22 excise tax under RCW 67.40.090;

23 (g) \$10,400,000 for purchase of the land and building known as the  
24 McKay Parcel, for development of low-income housing, for development,  
25 construction, and administrative costs related to completion of the  
26 state convention and trade center, including settlement costs related  
27 to construction litigation, and for partially refunding obligations  
28 under the parking garage revenue note issued by the corporation to  
29 Industrial Indemnity Company in connection with the agreement and  
30 settlement identified in (a) of this subsection, from additional  
31 general obligation bonds to be repaid from the special excise tax under  
32 RCW 67.40.090. All proceeds from any sale of the McKay parcel shall be  
33 deposited in the state convention and trade center account and shall  
34 not be expended without appropriation by law;

35 (h) \$300,000 for Eagles building exterior cleanup and repair, from  
36 additional general obligation bonds to be repaid from the special  
37 excise tax under RCW 67.40.090; and

38 (i) The proceeds of the sale of any properties owned by the state  
39 convention and trade center that are not planned for use for state

1 convention and trade center operations, with the proceeds to be used  
2 for development, construction, and administrative costs related to  
3 completion of the state convention and trade center, including  
4 settlement costs related to construction litigation.

5 (5) The borrowing authority provided in this section is in addition  
6 to the authority to borrow from the general fund to meet the bond  
7 retirement and interest requirements set forth in RCW 67.40.060. To  
8 the extent the specific conditions and limitations provided in this  
9 section conflict with the general conditions and limitations provided  
10 for temporary cash deficiencies in RCW 43.88.260 (section 7, chapter  
11 502, Laws of 1987), the specific conditions and limitations in this  
12 section shall govern.

13 NEW SECTION. **Sec. 10.** If any provision of this act or its  
14 application to any person or circumstance is held invalid, the  
15 remainder of the act or the application of the provision to other  
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 11.** Sections 1 through 8 of this act shall  
18 constitute a new chapter in Title 43 RCW."

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22 On page 1, line 1 of the title, after "bonds;" strike the remainder  
23 of the title and insert "amending RCW 67.40.045; and adding a new  
24 chapter to Title 43 RCW."

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