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HOUSE BILL 1301

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State of Washington

53rd Legislature

1993 Regular Session

By Representatives R. Fisher and Johanson; by request of Department of Transportation

Read first time 01/22/93. Referred to Committee on Transportation.

1 AN ACT Relating to state highway bonds; and adding new sections to  
2 chapter 47.10 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, right of way, and construction of selected interstate  
6 and other state highway improvements, there shall be issued and sold  
7 upon the request of the Washington state transportation commission a  
8 total of seventy-five million dollars of general obligation bonds of  
9 the state of Washington for the following purposes and specified sums:  
10 (1) Not to exceed twenty-five million dollars to pay the state's  
11 and local governments' share of matching funds for the ten  
12 demonstration projects identified in the Intermodal Surface  
13 Transportation Efficiency Act of 1991.

14 (2) Not to exceed fifty million dollars to temporarily pay the  
15 regular federal share of construction in advance of federal-aid  
16 apportionments as authorized by this section.

17 NEW SECTION. **Sec. 2.** Upon the request of the transportation  
18 commission, the state finance committee shall supervise and provide for

1 the issuance, sale, and retirement of the bonds authorized by sections  
2 1 through 6 of this act in accordance with chapter 39.42 RCW. Bonds  
3 authorized by sections 1 through 6 of this act shall be sold in such  
4 manner, at such time or times, in such amounts, and at such price as  
5 the state finance committee shall determine. No such bonds may be  
6 offered for sale without prior legislative appropriation of the net  
7 proceeds of the sale of the bonds.

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

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

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

35 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds  
36 issued for the purposes of sections 1 through 6 of this act shall be

1 payable from the highway bond retirement fund. The state finance  
2 committee may provide that a special account be created in the fund to  
3 facilitate payment of the principal and interest. The state finance  
4 committee shall, on or before June 30th of each year, certify to the  
5 state treasurer the amount required for principal and interest on the  
6 bonds in accordance with the bond proceedings. The state treasurer  
7 shall withdraw revenues from the motor vehicle fund and deposit in the  
8 highway bond retirement fund, or a special account in the fund, such  
9 amounts, and at such times, as are required by the bond proceedings.

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

21 Any payments for bond retirement or interest on the bonds taken  
22 from other revenues from the motor vehicle fuel or special fuel taxes  
23 that are distributed to the state, counties, cities, and towns, shall  
24 be repaid from the first revenues from the motor vehicle fuel or  
25 special fuel taxes distributed to the motor vehicle fund not required  
26 for bond retirement or interest on the bonds.

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

34 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act are each  
35 added to chapter 47.10 RCW.

1        NEW SECTION.    **Sec. 8.**    If any provision of this act or its  
2 application to any person or circumstance is held invalid, the  
3 remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

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