

HOUSE BILL 1591

State of Washington 53rd Legislature 1993 Regular Session

By Representatives Sommers and Wang

Read first time 02/03/93. Referred to Committee on Capital Budget.

1 AN ACT Relating to evidences of indebtedness; amending RCW
2 43.99I.040; and reenacting and amending RCW 39.42.060.

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

4 **Sec. 1.** RCW 39.42.060 and 1989 1st ex.s. c 14 s 17 and 1989 c 356
5 s 7 are each reenacted and amended to read as follows:

6 No bonds, notes, or other evidences of indebtedness for borrowed
7 money shall be issued by the state which will cause the aggregate debt
8 contracted by the state to exceed that amount for which payments of
9 principal and interest in any fiscal year would require the state to
10 expend more than (~~seven~~) the percent of the arithmetic mean of its
11 general state revenues, as defined in section 1(c) of Article VIII of
12 the Washington state Constitution for the three immediately preceding
13 fiscal years as certified by the treasurer in accordance with RCW
14 39.42.070(~~(-)~~), according to the following schedule:

15	<u>Through year</u>	
16	<u>1993</u>	<u>7.0%</u>
17	<u>1994</u>	<u>7.0%</u>
18	<u>1995</u>	<u>7.0%</u>

1	<u>1996</u>	<u>7.25%</u>
2	<u>1997</u>	<u>7.25%</u>
3	<u>1998</u>	<u>7.25%</u>
4	<u>1999</u>	<u>7.25%</u>
5	<u>2000</u>	<u>7.25%</u>
6	<u>2001</u>	<u>7.25%</u>
7	<u>2002 and</u>	
8	<u>after</u>	<u>7.0%</u>

9 It shall be the duty of the state finance committee to compute
10 annually the amount required to pay principal of and interest on
11 outstanding debt. In making such computation, the state finance
12 committee shall include all borrowed money represented by bonds, notes,
13 or other evidences of indebtedness which are secured by the full faith
14 and credit of the state or are required to be paid, directly or
15 indirectly, from general state revenues and which are incurred by the
16 state, any department, authority, public corporation or quasi public
17 corporation of the state, any state university or college, or any other
18 public agency created by the state but not by counties, cities, towns,
19 school districts, or other municipal corporations, and shall include
20 debt incurred pursuant to section 3 of Article VIII of the Washington
21 state Constitution, but shall exclude the following:

22 (1) Obligations for the payment of current expenses of state
23 government;

24 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

25 (3) Principal of and interest on bond anticipation notes;

26 (4) Any indebtedness which has been refunded;

27 (5) Financing contracts entered into under chapter 39.94 RCW;

28 (6) Indebtedness incurred pursuant to statute heretofore or
29 hereafter enacted which requires that the state treasury be reimbursed,
30 in the amount of the principal of and the interest on such
31 indebtedness, from money other than general state revenues or from the
32 special excise tax imposed pursuant to chapter 67.40 RCW.

33 To the extent necessary because of the constitutional or statutory
34 debt limitation, priorities with respect to the issuance or
35 guaranteeing of bonds, notes, or other evidences of indebtedness by the
36 state shall be determined by the state finance committee; and

37 (7) Any agreement, promissory note, or other instrument entered
38 into by the state finance committee under RCW 39.42.030 in connection

1 with its acquisition of bond insurance, letters of credit, or other
2 credit support instruments for the purpose of guaranteeing the payment
3 or enhancing the marketability, or both, of any state bonds, notes, or
4 other evidence of indebtedness.

5 **Sec. 2.** RCW 43.99I.040 and 1992 c 235 s 3 are each amended to read
6 as follows:

7 (1) On each date on which any interest or principal and interest
8 payment is due on bonds issued for the purposes of RCW 43.99I.020 (3)
9 and (4), the state treasurer shall transfer from the energy efficiency
10 construction account created in RCW 39.35C.100 to the general fund of
11 the state treasury the amount computed in RCW 43.99I.030 for the bonds
12 issued for the purposes of RCW 43.99I.020 (3) and (4).

13 ~~(2) ((On each date on which any interest or principal and interest
14 payment is due on bonds issued for the purposes of RCW 43.99I.020(5),
15 the state treasurer shall transfer from property taxes in the state
16 general fund levied for this support of the common schools under RCW
17 84.52.065 to the general fund of the state treasury for unrestricted
18 use the amount computed in RCW 43.99I.030 for the bonds issued for the
19 purposes of RCW 43.99I.020(5)).~~

20 ~~(3) On each date on which any interest or principal and interest
21 payment is due on bonds issued for the purposes of RCW 43.99I.020(6),
22 the state treasurer shall transfer from higher education operating fees
23 deposited in the general fund to the general fund of the state treasury
24 for unrestricted use, or if chapter 231, Laws of 1992 (Senate Bill No.
25 6285) becomes law and changes the disposition of higher education
26 operating fees from the general fund to another account, the state
27 treasurer shall transfer the proportional share from the University of
28 Washington operating fees account, the Washington State University
29 operating fees account, and the Central Washington University operating
30 fees account the amount computed in RCW 43.99I.030 for the bonds issued
31 for the purposes of RCW 43.99I.020(7)).~~

32 ~~(4))~~ On each date on which any interest or principal and interest
33 payment is due on bonds issued for the purposes of RCW 43.99I.020(7),
34 the state treasurer shall transfer from the data processing revolving
35 ~~((account [fund]))~~ fund created in RCW 43.105.080 to the general fund
36 of the state treasury the amount computed in RCW 43.99I.030 for the
37 bonds issued for the purposes of RCW 43.99I.020(7).

1 (~~(5)~~) (3) On each date on which any interest or principal and
2 interest payment is due on bonds issued for the purpose of RCW
3 43.99I.020(8), the Washington state dairy products commission shall
4 cause the amount computed in RCW 43.99I.030 for the bonds issued for
5 the purposes of RCW 43.99I.020(8) to be paid out of the commission's
6 general operating fund to the state treasurer for deposit into the
7 general fund of the state treasury.

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