

1 **SB 6818 - H AMD Withdrawn 3-14-02 0622**

2 By Representative Alexander

3 Strike everything after the enacting clause and insert the  
4 following:

5 "Sec. 1. RCW 39.42.060 and 1999 c 273 s 9 are each amended to  
6 read as follows:

7 No bonds, notes, or other evidences of indebtedness for borrowed  
8 money shall be issued by the state which will cause the aggregate debt  
9 contracted by the state to exceed that amount for which payments of  
10 principal and interest in any fiscal year would require the state to  
11 expend more than seven percent of the arithmetic mean of its general  
12 state revenues, as defined in (~~section 1(c) of Article VIII of the~~  
13 ~~Washington state Constitution~~) RCW 39.42.070, for the three  
14 immediately preceding fiscal years as certified by the treasurer in  
15 accordance with RCW 39.42.070. It shall be the duty of the state  
16 finance committee to compute annually the amount required to pay  
17 principal of and interest on outstanding debt. In making such  
18 computation, the state finance committee shall include all borrowed  
19 money represented by bonds, notes, or other evidences of indebtedness  
20 which are secured by the full faith and credit of the state or are  
21 required to be paid, directly or indirectly, from general state  
22 revenues and which are incurred by the state, any department,  
23 authority, public corporation or quasi public corporation of the state,  
24 any state university or college, or any other public agency created by  
25 the state but not by counties, cities, towns, school districts, or  
26 other municipal corporations, and shall include debt incurred pursuant  
27 to section 3 of Article VIII of the Washington state Constitution, but  
28 shall exclude the following:

29 (1) Obligations for the payment of current expenses of state  
30 government;

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

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

33 (4) Any indebtedness which has been refunded;

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

35 (6) Indebtedness authorized or incurred before July 1, 1993,  
36 pursuant to statute which requires that the state treasury be  
37 reimbursed, in the amount of the principal of and the interest on such

1 indebtedness, from money other than general state revenues or from the  
2 special excise tax imposed pursuant to chapter 67.40 RCW;

3 (7) Indebtedness authorized and incurred after July 1, 1993,  
4 pursuant to statute that requires that the state treasury be  
5 reimbursed, in the amount of the principal of and the interest on such  
6 indebtedness, from (a) moneys outside the state treasury, except higher  
7 education operating fees, (b) higher education building fees, (c)  
8 indirect costs recovered from federal grants and contracts, and (d)  
9 fees and charges associated with hospitals operated or managed by  
10 institutions of higher education;

11 (8) Any agreement, promissory note, or other instrument entered  
12 into by the state finance committee under RCW 39.42.030 in connection  
13 with its acquisition of bond insurance, letters of credit, or other  
14 credit support instruments for the purpose of guaranteeing the payment  
15 or enhancing the marketability, or both, of any state bonds, notes, or  
16 other evidence of indebtedness;

17 (9) Indebtedness incurred for the purposes identified in RCW  
18 43.99N.020;

19 (10) Indebtedness incurred for the purposes of the school district  
20 bond guaranty established by chapter 39.98 RCW;

21 (11) Indebtedness incurred for the purposes of replacing the  
22 waterproof membrane over the east plaza garage and revising related  
23 landscaping construction pursuant to RCW 43.99Q.070; and

24 (12) Indebtedness incurred for the purposes of the state  
25 legislative building rehabilitation, to the extent that principal and  
26 interest payments of such indebtedness are paid from the capitol  
27 building construction account pursuant to RCW 43.99Q.140(2)(b).

28 To the extent necessary because of the constitutional or statutory  
29 debt limitation, priorities with respect to the issuance or  
30 guaranteeing of bonds, notes, or other evidences of indebtedness by the  
31 state shall be determined by the state finance committee.

32 **Sec. 2.** RCW 39.42.070 and 1971 ex.s. c 184 s 7 are each amended  
33 to read as follows:

34 (1) On or after \*the effective date of this act, the treasurer  
35 shall compute general state revenues for the three fiscal years  
36 immediately preceding such date and shall determine the arithmetic mean  
37 thereof. As soon as is practicable after the close of each fiscal year  
38 thereafter, he shall do likewise. In determining the amount of general

1 state revenues, the treasurer shall include all state money received in  
2 the treasury from each and every source whatsoever except: (1) fees  
3 and revenues derived from the ownership or operation of any  
4 undertaking, facility or project; (2) moneys received as gifts, grants,  
5 donations, aid or assistance or otherwise from the United States or any  
6 department, bureau or corporation thereof, or any person, firm or  
7 corporation, public or private, when the terms and conditions of such  
8 gift, grant, donation, aid or assistance require the application and  
9 disbursement of such moneys otherwise than for the general purposes of  
10 the state of Washington; (3) moneys to be paid into and received from  
11 retirement system funds, and performance bonds and deposits; (4) moneys  
12 to be paid into and received from trust funds including but not limited  
13 to moneys received from taxes levied for specific purposes and the  
14 several permanent and irreducible funds of the state and the moneys  
15 derived therefrom but excluding bond redemption funds; (5) proceeds  
16 received from the sale of bonds or other evidences of indebtedness.  
17 Upon computing general state revenues, the treasurer shall make and  
18 file in the office of the secretary of state, a certificate containing  
19 the results of such computations. Copies of said certificate shall be  
20 sent to each elected official of the state and each member of the  
21 legislature. The treasurer shall, at the same time, advise each  
22 elected official and each member of the legislature of the current  
23 available debt capacity of the state, and may make estimated  
24 projections for one or more years concerning debt capacity.

25 (2) For purposes of this chapter, general state revenues shall  
26 also include revenues that are deposited in the general fund under RCW  
27 82.45.180(2) and lottery revenues as provided in RCW 67.70.240(3).

28 NEW SECTION. **Sec. 3.** If any provision of this act or its  
29 application to any person or circumstance is held invalid, the  
30 remainder of the act or the application of the provision to other  
31 persons or circumstances is not affected.

32 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
33 preservation of the public peace, health, or safety, or support of the  
34 state government and its existing public institutions, and takes effect  
35 immediately."

36 Correct the title.

**EFFECT:** Removes the authorization to issue bonds and provides that the portion of the Real Estate Excise Tax going into the general fund is to be included in the calculation of general state revenues.