
HOUSE BILL 2449

State of Washington

57th Legislature

2002 Regular Session

By Representatives Fisher, Chase, Jackley and Ogden; by request of Governor Locke

Read first time 01/17/2002. Referred to Committee on Transportation.

1 AN ACT Relating to transportation 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 highway
6 improvements, and in order to provide funds necessary for vessel and
7 terminal acquisition, construction, and improvements, there will be
8 issued and sold upon the request of the transportation commission, a
9 total of five billion five hundred million dollars of general
10 obligation bonds of the state of Washington for highway improvement
11 projects.

12 NEW SECTION. **Sec. 2.** Upon the request of the transportation
13 commission, the state finance committee will supervise and provide for
14 the issuance, sale, and retirement of the bonds authorized by sections
15 1 through 6 of this act in accordance with chapter 39.42 RCW. Bonds
16 authorized by sections 1 through 6 of this act will be sold in a
17 manner, at a time or times, in amounts, and at prices as the state
18 finance committee will determine. No bonds may be offered for sale

1 without prior legislative appropriation of the net proceeds of the sale
2 of the bonds.

3 The state finance committee will consider the issuance of short-
4 term obligations in lieu of long-term obligations for the purposes of
5 more favorable interest rates, lower total interest costs, and
6 increased marketability, and for the purpose of retiring the bonds
7 during the life of the project for which they were issued.

8 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds
9 authorized by sections 1 through 6 of this act will be deposited in the
10 motor vehicle fund. These proceeds will be available only for the
11 purposes enumerated in section 1 of this act, for the payment of bond
12 anticipation notes, if any, and for the payment of bond issuance costs,
13 including the costs of underwriting.

14 NEW SECTION. **Sec. 4.** Bonds issued under the authority of sections
15 1 through 6 of this act will distinctly state that they are a general
16 obligation of the state of Washington, will pledge the full faith and
17 credit of the state to the payment of the principal and interest, and
18 will contain an unconditional promise to pay principal and interest as
19 they become due. The principal and interest on the bonds will be first
20 payable in the manner provided in sections 1 through 6 of this act from
21 the proceeds of the state excise taxes on motor vehicle and special
22 fuel imposed in chapters 82.36 and 82.38 RCW. Proceeds of these excise
23 taxes are hereby pledged to the payment of any bonds and the interest
24 thereon issued under sections 1 through 6 of this act, and the
25 legislature agrees to continue to impose these excise taxes on motor
26 vehicle and special fuel in amounts sufficient to pay, when due, the
27 principal and interest on all bonds issued under the authority of
28 sections 1 through 6 of this act.

29 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
30 issued for the purposes of sections 1 through 6 of this act will be
31 payable from the highway bond retirement fund. The state finance
32 committee may provide that a special account be created in the fund to
33 facilitate payment of the principal and interest. The state finance
34 committee will, on or before June 30th of each year, certify to the
35 state treasurer the amount required for principal and interest on the
36 bonds in accordance with the bond proceedings. The state treasurer

1 will withdraw revenues from the motor vehicle fund and deposit in the
2 highway bond retirement fund, or a special account in the fund, any
3 amounts, and at such times, as required by the bond proceedings.

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

15 Any payments for bond retirement or interest on the bonds taken
16 from other revenues from the motor vehicle fuel or special fuel taxes
17 that are distributed to the state, counties, cities, and towns will be
18 repaid from the first revenues from the motor vehicle fuel or special
19 fuel taxes distributed to the motor vehicle fund not required for bond
20 retirement or interest on the bonds.

21 NEW SECTION. **Sec. 6.** Bonds issued under sections 1 through 5 of
22 this act and this section and any other general obligation bonds of the
23 state of Washington that have been or that may be authorized and that
24 pledge motor vehicle and special fuel excise taxes for the payment of
25 principal and interest thereon will be an equal charge against the
26 revenues from the motor vehicle and special fuel excise taxes.

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

29 NEW SECTION. **Sec. 8.** If any provision of this act or its
30 application to any person or circumstance is held invalid, the
31 remainder of the act or the application of the provision to other
32 persons or circumstances is not affected.

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