
SUBSTITUTE SENATE BILL 5344

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Spanel, Fairley, Zarelli and Fraser; by request of Governor Locke)

READ FIRST TIME 04/02/01.

1 AN ACT Relating to legislative building preservation and
2 renovation; amending RCW 39.42.060; adding a new chapter to Title 43
3 RCW; making an appropriation; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that it is necessary
6 to complete the rehabilitation of the state legislative building, to
7 extend the useful life of the building, and provide for the permanent
8 relocation of offices displaced by the rehabilitation and create new
9 space for public uses.

10 Furthermore, it is the intent of the legislature to fund the
11 majority of the rehabilitation and construction using bonds repaid by
12 the capitol building construction account, as provided for in the
13 enabling act and dedicated by the federal government for the sole
14 purpose of establishing a state capitol, to fund the cash elements of
15 the project using capital project surcharge revenues in the Thurston
16 county capital facilities account, and to support the establishment of
17 a private foundation to engage the public in the preservation of the
18 state legislative building and raise private funds for restoration and
19 educational efforts. The bonds repaid by the capitol building

1 construction account, whose revenues are from the sale of capitol
2 building lands, timber, or other materials, shall be exempt from the
3 state debt limit under RCW 39.42.060, and if at any time the capitol
4 building construction account has insufficient revenues to repay the
5 bonds, the legislature may provide additional means for the payment of
6 the bonds, but any such additional means shall be subject to the state
7 debt limit.

8 NEW SECTION. **Sec. 2.** For the purpose of providing funds for the
9 planning, design, construction, and other necessary costs for the
10 rehabilitation of the state legislative building, the state finance
11 committee is authorized to issue general obligation bonds of the state
12 of Washington in the sum of eighty-two million five hundred ten
13 thousand dollars or as much as may be required to finance the
14 rehabilitation and improvements to the legislative building and all
15 costs incidental thereto. The approved rehabilitation plan includes
16 costs associated with earthquake repairs and future earthquake
17 mitigation and requires that occupants vacate the building for
18 approximately twenty-seven months beginning in fall 2001. The approved
19 plan allows for associated relocation costs and the acquisition of
20 appropriate relocation space. Bonds authorized in this section shall
21 not constitute indebtedness for purposes of the limitations set forth
22 in RCW 39.42.060, to the extent that the bond payments are paid from
23 the capitol building construction account. Bonds authorized in this
24 section may be sold at a price the state finance committee determines.
25 No bonds authorized in this section may be offered for sale without
26 prior legislative appropriation of the net proceeds of the sale of the
27 bonds. The proceeds of the sale of the bonds issued for the purposes
28 of this subsection shall be deposited in the capitol historic district
29 construction account hereby created in the state treasury.

30 NEW SECTION. **Sec. 3.** Eighty-one million six hundred eighty-one
31 thousand dollars is appropriated in the 2001-2003 biennium from the
32 capitol historic district construction account to the department of
33 general administration for expenses related to the planning, design,
34 construction, relocation costs, acquisition of relocation space, and
35 other necessary costs for the rehabilitation of the state legislative
36 building construction.

1 NEW SECTION. **Sec. 4.** The approved rehabilitation plan conforms
2 with option C/C+, including recommendations pertaining to placement of
3 mechanical infrastructure, as recommended in the Space Use Study and
4 Rehabilitation Plan Options, Report to the Legislature, November 30,
5 2000.

6 The following exceptions are made to the preferred option: (1) The
7 occupants shall vacate the legislative building for approximately
8 twenty-seven months beginning in fall 2001 with the anticipation that
9 the legislature will reoccupy the building for the 2004 legislative
10 session; and (2) the state capitol committee, in consultation with the
11 legislative building renovation oversight committee, shall develop
12 alternatives for space use, exiting stairwells, and parking for
13 approval by the legislature in the 2002 legislative session.

14 NEW SECTION. **Sec. 5.** (1) The nondebt-limit reimbursable bond
15 retirement account must be used for the payment of the principal and
16 interest on the bonds authorized in section 2 of this act.

17 (2)(a) The state finance committee must, on or before June 30th of
18 each year, certify to the state treasurer the amount needed in the
19 ensuing twelve months to meet the bond retirement and interest
20 requirements on the bonds authorized in section 2 of this act.

21 (b) On or before the date on which any interest or principal and
22 interest is due, the state treasurer shall transfer from the capitol
23 building construction account for deposit into the nondebt-limit
24 reimbursable bond retirement account, the amount computed in (a) of
25 this subsection for bonds issued for the purposes of section 2 of this
26 act.

27 (3) If the capitol building construction account has insufficient
28 revenues to pay the principal and interest computed in subsection
29 (2)(a) of this section, then the debt-limit reimbursable bond
30 retirement account must be used for the payment of the principal and
31 interest on the bonds authorized in section 2 of this act from any
32 additional means provided by the legislature.

33 NEW SECTION. **Sec. 6.** (1) Bonds issued under section 1 of this act
34 must state that they are a general obligation of the state of
35 Washington, must pledge the full faith and credit of the state to the
36 payment of the principal and interest, and must contain an

1 unconditional promise to pay the principal and interest as it becomes
2 due.

3 (2) The owner and holder of each of the bonds or the trustee for
4 the owner and holder of any of the bonds may by mandamus or other
5 appropriate proceeding require the transfer and payment of funds as
6 directed in this section.

7 NEW SECTION. **Sec. 7.** The legislature may provide additional means
8 for raising moneys for the payment of the principal and interest on the
9 bonds authorized in section 1 of this act, and sections 2 through 7 of
10 this act shall not be deemed to provide an exclusive method for their
11 payment.

12 **Sec. 8.** RCW 39.42.060 and 1999 c 273 s 9 are each amended to read
13 as follows:

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

35 (1) Obligations for the payment of current expenses of state
36 government;

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

1 (3) Principal of and interest on bond anticipation notes;
2 (4) Any indebtedness which has been refunded;
3 (5) Financing contracts entered into under chapter 39.94 RCW;
4 (6) Indebtedness authorized or incurred before July 1, 1993,
5 pursuant to statute which requires that the state treasury be
6 reimbursed, in the amount of the principal of and the interest on such
7 indebtedness, from money other than general state revenues or from the
8 special excise tax imposed pursuant to chapter 67.40 RCW;

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

17 (8) Any agreement, promissory note, or other instrument entered
18 into by the state finance committee under RCW 39.42.030 in connection
19 with its acquisition of bond insurance, letters of credit, or other
20 credit support instruments for the purpose of guaranteeing the payment
21 or enhancing the marketability, or both, of any state bonds, notes, or
22 other evidence of indebtedness;

23 (9) Indebtedness incurred for the purposes identified in RCW
24 43.99N.020; ((and))

25 (10) Indebtedness incurred for the purposes of the school district
26 bond guaranty established by chapter 39.98 RCW; and

27 (11) Indebtedness incurred for the purposes of the state
28 legislative building rehabilitation, to the extent that principal and
29 interest payments of such indebtedness are paid from the capitol
30 building construction account pursuant to section 5(2)(b) of this act.

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

35 NEW SECTION. Sec. 9. Sections 1 through 7 of this act constitute
36 a new chapter in Title 43 RCW.

1 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and takes effect
4 immediately.

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