
ENGROSSED SUBSTITUTE HOUSE BILL 1288

State of Washington

58th Legislature

2003 Regular Session

By House Committee on Capital Budget (originally sponsored by Representatives Dunshee and Alexander; by request of Office of Financial Management)

READ FIRST TIME 04/23/03.

1 AN ACT Relating to state general obligation bonds and related
2 accounts; adding a new chapter to Title 43 RCW; and declaring an
3 emergency.

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

5 NEW SECTION. **Sec. 1.** For the purpose of providing funds to
6 finance the projects described and authorized by the legislature in the
7 capital and operating appropriation acts for the 2003-2005 fiscal
8 biennium, and all costs incidental thereto, the state finance committee
9 is authorized to issue general obligation bonds of the state of
10 Washington in the sum of one billion two hundred twelve million
11 dollars, or as much thereof as may be required, to finance these
12 projects and all costs incidental thereto. Bonds authorized in this
13 section may be sold at such price as the state finance committee shall
14 determine. No bonds authorized in this section may be offered for sale
15 without prior legislative appropriation of the net proceeds of the sale
16 of the bonds.

17 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds

1 authorized in section 1 of this act shall be deposited in the state
2 building construction account created by RCW 43.83.020. The proceeds
3 shall be transferred as follows:

4 (1) One billion fifty-one million dollars to remain in the state
5 building construction account created by RCW 43.83.020;

6 (2) Twenty-two million five hundred thousand dollars to the outdoor
7 recreation account created by RCW 79A.25.060;

8 (3) Twenty-two million five hundred thousand dollars to the habitat
9 conservation account created by RCW 79A.15.020;

10 (4) Eighty million dollars to the state taxable building
11 construction account. All receipts from taxable bond issues are to be
12 deposited into the account. If the state finance committee deems it
13 necessary to issue more than the amount specified in this subsection
14 (4) as taxable bonds in order to comply with federal internal revenue
15 service rules and regulations pertaining to the use of nontaxable bond
16 proceeds, the proceeds of such additional taxable bonds shall be
17 transferred to the state taxable building construction account in lieu
18 of any transfer otherwise provided by this section. The state
19 treasurer shall submit written notice to the director of financial
20 management if it is determined that any such additional transfer to the
21 state taxable building construction account is necessary. Moneys in
22 the account may be spent only after appropriation.

23 These proceeds shall be used exclusively for the purposes specified
24 in this section and for the payment of expenses incurred in the
25 issuance and sale of the bonds issued for the purposes of this section,
26 and shall be administered by the office of financial management subject
27 to legislative appropriation.

28 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond
29 retirement account shall be used for the payment of the principal of
30 and interest on the bonds authorized in section 2 (1), (2), (3), and
31 (4) of this act.

32 (2) The state finance committee shall, on or before June 30th of
33 each year, certify to the state treasurer the amount needed in the
34 ensuing twelve months to meet the bond retirement and interest
35 requirements on the bonds authorized in section 2 (1), (2), (3), and
36 (4) of this act.

1 (3) On each date on which any interest or principal and interest
2 payment is due on bonds issued for the purposes of section 2 (1), (2),
3 (3), and (4) of this act the state treasurer shall withdraw from any
4 general state revenues received in the state treasury and deposit in
5 the debt-limit general fund bond retirement account an amount equal to
6 the amount certified by the state finance committee to be due on the
7 payment date.

8 NEW SECTION. **Sec. 4.** (1) Bonds issued under sections 1 through 3
9 of this act shall state that they are a general obligation of the state
10 of Washington, shall pledge the full faith and credit of the state to
11 the payment of the principal thereof and the interest thereon, and
12 shall contain an unconditional promise to pay the principal and
13 interest as the same shall become due.

14 (2) The owner and holder of each of the bonds or the trustee for
15 the owner and holder of any of the bonds may by mandamus or other
16 appropriate proceeding require the transfer and payment of funds as
17 directed in this section.

18 NEW SECTION. **Sec. 5.** The legislature may provide additional means
19 for raising moneys for the payment of the principal of and interest on
20 the bonds authorized in section 1 of this act, and sections 2 and 3 of
21 this act shall not be deemed to provide an exclusive method for the
22 payment.

23 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act constitute
24 a new chapter in Title 43 RCW.

25 NEW SECTION. **Sec. 7.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

29 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect

1 immediately.

--- END ---