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HOUSE BILL 2610

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State of Washington                      58th Legislature                      2004 Regular Session

By Representatives Anderson, Ericksen and Roach

Read first time 01/16/2004. Referred to Committee on Transportation.

1            AN ACT Relating to regional transit authority bonds secured by  
2 motor vehicle excise taxes; amending RCW 81.112.130; creating a new  
3 section; and declaring an emergency.

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

5            NEW SECTION.    **Sec. 1.** The legislature declares that it is the  
6 responsibility of governments to implement requirements of voter-  
7 approved initiatives. The legislature further recognizes that with the  
8 approval of Initiative 776, voters expect license tab fees to be  
9 reduced in accordance with that act, both at the state and local level.  
10 While certain local government tax revenues are pledged as security for  
11 bond indebtedness, every effort should be made to retire those  
12 outstanding bonds and to eliminate collection of those taxes repealed  
13 by Initiative 776 as soon as possible.

14            **Sec. 2.** RCW 81.112.130 and 1992 c 101 s 13 are each amended to  
15 read as follows:

16            (1) Notwithstanding RCW 39.36.020(1), and subject to the  
17 requirements of subsection (2) of this section, an authority may at any  
18 time contract indebtedness or borrow money for authority purposes and

1 may issue general obligation bonds in an amount not exceeding, together  
2 with any existing indebtedness of the authority not authorized by the  
3 voters, one and one-half percent of the value of the taxable property  
4 within the boundaries of the authority; and with the assent of three-  
5 fifths of the voters therein voting at an election called for that  
6 purpose, may contract indebtedness or borrow money for authority  
7 purposes and may issue general obligation bonds therefor, provided the  
8 total indebtedness of the authority shall not exceed five percent of  
9 the value of the taxable property therein. Such bonds shall be issued  
10 and sold in accordance with chapter 39.46 RCW.

11 (2) An authority may not issue new bonds under this section secured  
12 by the pledge of revenues from the excise tax authorized under RCW  
13 81.104.160 nor may it issue new bonds when it has outstanding bond  
14 indebtedness secured by the pledge of revenues from the excise tax  
15 authorized under RCW 81.104.160. An authority with bonds outstanding  
16 on the effective date of this act which are secured by the pledge of  
17 revenues from any excise tax authorized under RCW 81.104.160 shall  
18 immediately use unused bond proceeds, current tax revenues, and cash  
19 reserves to defease those bonds.

20 (3) The term "value of the taxable property" shall have the meaning  
21 set forth in RCW 39.36.015.

22 NEW SECTION. Sec. 3. This act is necessary for the immediate  
23 preservation of the public peace, health, or safety, or support of the  
24 state government and its existing public institutions, and takes effect  
25 immediately.

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