
SENATE BILL 6540

State of Washington

58th Legislature

2004 Regular Session

By Senators Haugen, Benton, T. Sheldon, Poulsen, Spanel, Winsley, Jacobsen and Kastama

Read first time 01/22/2004. Referred to Committee on Highways & Transportation.

1 AN ACT Relating to state transportation bond payment revenue; and
2 adding a new section to chapter 39.42 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 39.42 RCW
5 to read as follows:

6 (1) No bonds, notes, or other evidences of indebtedness for
7 borrowed money that is secured by transportation bond revenue shall be
8 issued by the state which will cause the aggregate debt contracted by
9 the state to exceed that amount for which payments of principal and
10 interest in any fiscal year would require the state to expend more than
11 seventeen percent of the arithmetic mean of state transportation bond
12 revenue, for the three immediately preceding fiscal years as certified
13 by the treasurer in accordance with RCW 39.42.070. It is the duty of
14 the state finance committee to compute annually the amount required to
15 pay principal of and interest on outstanding debt. In making this
16 computation, the state finance committee shall include all borrowed
17 money represented by bonds, notes, or other evidences of indebtedness
18 which are secured by the full faith and credit of the state or are
19 required to be paid, directly or indirectly, from state transportation

1 bond payment revenue and which are incurred by the state, any
2 department, authority, public corporation or quasi public corporation
3 of the state, any state university or college, or any other public
4 agency created by the state but not by counties, cities, towns, school
5 districts, or other municipal corporations, but shall exclude the
6 following:

7 (a) Debt incurred pursuant to section 3 of Article VIII of the
8 Washington state Constitution; and

9 (b) Indebtedness authorized and incurred after July 1, 2002,
10 pursuant to statute that requires that the state treasury be
11 reimbursed, in the amount of the principal of and the interest on the
12 indebtedness, from tolls, fees, or other revenues derived from the
13 operation of a state transportation facility.

14 (2) For the purposes of this section, "state transportation bond
15 payment revenue" means revenue from license fees for motor vehicles and
16 excise taxes collected by the state on the sale, distribution, or use
17 of motor vehicle fuel or special fuel that may be used for the payment
18 of the principal and interest on general obligation bonds that are
19 exempt from the state debt limit under RCW 39.42.060. State
20 transportation bond payment revenue shall only include state motor
21 vehicle fuel tax and special fuel tax as distributed under RCW
22 46.68.090(2) (c), (e), and (f) and motor vehicle license fees
23 distributed under RCW 46.68.030 and 46.68.035. State transportation
24 bond payment revenue does not include state motor vehicle license fees
25 and fuel taxes that are distributed as tribal reservation refunds or
26 other refunds, statutory distributions of revenue for the benefit of
27 cities and counties, or distributions to state accounts whose primary
28 purpose is the payment of bond debt. On or after the effective date of
29 this act, the treasurer shall compute state transportation bond payment
30 revenue for the three fiscal years immediately preceding this date, and
31 determine the arithmetic mean. This computation shall be performed
32 each year after the close of the fiscal year.

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