
HOUSE BILL 3315

State of Washington 59th Legislature 2006 Regular Session

By Representatives Murray and Woods

Read first time 02/23/2006. Referred to Committee on Transportation.

1 AN ACT Relating to the issuance of general obligation bonds for
2 state highway improvement projects; and adding new sections to chapter
3 47.10 RCW.

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

5 NEW SECTION. **Sec. 1.** In order to provide funds necessary for the
6 design, right of way, and construction of selected state highway
7 improvements, there shall be issued and sold upon the request of the
8 Washington state department of transportation, a total of one hundred
9 fifty million dollars of general obligation bonds of the state of
10 Washington for the following purposes and sums:

11 (1) Not to exceed one hundred million dollars for the repair of
12 unstable slopes that threaten state highways;

13 (2) Not to exceed fifty million dollars for construction,
14 reconstruction, or repair of any state highway made necessary by
15 slides, storm damage, or repair of any other unexpected or unusual
16 causes.

17 NEW SECTION. **Sec. 2.** Upon the request of the department of
18 transportation, the state finance committee shall supervise and provide

1 for the issuance, sale, and retirement of the bonds authorized by
2 sections 1 through 6 of this act in accordance with chapter 39.42 RCW.
3 Bonds authorized by sections 1 through 6 of this act shall be sold in
4 such manner, at such time or times, in such amounts, and at such price
5 as the state finance committee shall determine. No such bonds may be
6 offered for sale without prior legislative appropriation of the net
7 proceeds of the sale of the bonds.

8 The state finance committee shall consider the issuance of short-
9 term obligations in lieu of long-term obligations for the purposes of
10 more favorable interest rates, lower total interest costs, and
11 increased marketability for the purpose of retiring the bonds during
12 the life of the project for which they were issued.

13 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds
14 authorized by sections 1 through 6 of this act shall be deposited in
15 the motor vehicle fund. The proceeds shall be available only for the
16 purposes enumerated in section 1 of this act, for the payment of bond
17 anticipation notes, if any, and for the payment of bond issuance costs,
18 including the costs of underwriting.

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

1 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
2 issued for the purposes of sections 1 through 6 of this act shall be
3 payable from the highway bond retirement fund. The state finance
4 committee may provide that a special account be created in the fund to
5 facilitate payment of the principal and interest. The state finance
6 committee shall, on or before June 30th of each year, certify to the
7 state treasurer the amount required for principal and interest on the
8 bonds in accordance with the bond proceedings. The state treasurer
9 shall withdraw revenues from the motor vehicle fund and deposit in the
10 highway bond retirement fund, or a special account in the fund, such
11 amounts, and at such times, as are required by the bond proceedings.

12 Any funds required for bond retirement or interest on the bonds
13 authorized by sections 1 through 6 of this act shall be taken from that
14 portion of the motor vehicle fund that results from the imposition of
15 excise taxes on motor vehicle and special fuels and which is, or may
16 be, appropriated to the department of transportation for state highway
17 purposes. Funds required shall never constitute a charge against any
18 other allocations of motor vehicle fuel and special fuel tax revenues
19 to the state, counties, cities, and towns unless the amount arising
20 from excise taxes on motor vehicle and special fuels distributed to the
21 state in the motor vehicle fund proves insufficient to meet the
22 requirements for bond retirement or interest on any such bonds.

23 Any payments for bond retirement or interest on the bonds taken
24 from other revenues from the motor vehicle fuel or special fuel taxes
25 that are distributable to the state, counties, cities, and towns shall
26 be repaid from the first revenues from the motor vehicle fuel or
27 special fuel taxes distributed to the motor vehicle fund not required
28 for bond retirement or interest on the bonds.

29 NEW SECTION. **Sec. 6.** Bonds issued under the authority of sections
30 1 through 5 of this act and this section and any other general
31 obligation bonds of the state of Washington that have been or that may
32 be authorized and that pledge motor vehicle and special fuels excise
33 taxes for the payment of principal and interest thereon shall be an
34 equal charge against the revenues from such motor vehicle and special
35 fuels excise taxes.

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

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