

---

SENATE BILL 5050

---

State of Washington                      59th Legislature                      2005 Regular Session

By Senators Fraser and Hewitt; by request of Governor Locke

Read first time 01/12/2005. Referred to Committee on Ways & Means.

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 and 2005-  
8 2007 fiscal bienniums, and all costs incidental thereto, the state  
9 finance committee is authorized to issue general obligation bonds of  
10 the state of Washington in the sum of one billion one hundred sixty-six  
11 million dollars, or as much thereof as may be required, to finance  
12 these projects and all costs incidental thereto. Bonds authorized in  
13 this section may be sold at such price as the state finance committee  
14 shall determine. No bonds authorized in this section may be offered  
15 for sale without prior legislative appropriation of the net proceeds of  
16 the sale 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 thirteen million three hundred thousand dollars to  
5 remain in the state building construction account created by RCW  
6 43.83.020;

7 (2) Eighteen million dollars to the outdoor recreation account  
8 created by RCW 79A.25.060;

9 (3) Eighteen million dollars to the habitat conservation account  
10 created by RCW 79A.15.020;

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

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

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

33 (2) The state finance committee shall, on or before June 30th of  
34 each year, certify to the state treasurer the amount needed in the  
35 ensuing twelve months to meet the bond retirement and interest  
36 requirements on the bonds authorized in section 2 (1), (2), (3), and  
37 (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 ---