

SENATE BILL REPORT

SB 6220

As Passed Senate, April 1, 2010

Title: An act relating to determination of the terms and conditions of bonds, notes, and other evidences of indebtedness of the state of Washington.

Brief Description: Concerning determination of the terms and conditions of bonds, notes, and other evidences of indebtedness of the state of Washington.

Sponsors: Senators Fraser and Brandland; by request of State Finance Committee.

Brief History:

Committee Activity: Ways & Means: 1/19/10, 1/20/10 [DP].

Passed Senate: 1/29/10, 44-0.

First Special Session: Passed Senate: 4/01/10, 41-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Hobbs, Honeyford, Murray, Parlette, Pflug, Pridemore, Rockefeller and Schoesler.

Staff: Brian Sims (786-7431)

Background: The State Finance Committee (Committee) was created in 1921 and is composed of the Governor, Lieutenant Governor, and is chaired by the State Treasurer (Treasurer). Within constitutional and statutory limitations, the Committee authorizes the issuance and establishes the terms, conditions, and manner of the sale of all bonds, notes, and other debt for the state to finance capital projects in the state's capital and transportation budgets.

Summary of Bill: The Committee must meet at least twice a year. The Committee may delegate to the Treasurer the authority to determine dates of issuance, interest rates, price, maturities, redemption rights, and covenants. The Committee may not delegate its authority to set the maximum bond issuance. The Committee may publish its annual report of debt management activities electronically on the Treasurer's website if the Committee determines that public access to these materials is not substantially diminished.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Increased flexibility provided by this bill will improve the state's ability to reduce our bond costs in a volatile market.

Persons Testifying: PRO: Jim McIntire, State Treasurer; Wolfgang Opitz, Deputy Treasurer.