

FINAL BILL REPORT

ESSB 5036

C 20 L 13 E 2 Synopsis as Enacted

Brief Description: Concerning state general obligation bonds and related accounts.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Honeyford, Nelson and Shin; by request of Governor Gregoire).

Senate Committee on Ways & Means

Background: Washington periodically issues general obligation bonds to finance projects authorized in the capital and transportation budgets. General obligation bonds pledge the full faith, credit, and taxing power of the state toward payment of debt service. Legislation authorizing the issuance of bonds requires a 60 percent majority vote in both the House of Representatives and the Senate. Bond authorization legislation generally specifies the account or accounts into which bond sale proceeds are deposited, as well as the source of debt service payments. When debt service payments are due, the State Treasurer withdraws the amounts necessary to make the payments from the state General Fund and deposits them into bond retirement funds. The State Finance Committee, composed of the Governor, the Lieutenant Governor, and the State Treasurer, is responsible for supervising and controlling the issuance of all state bonds.

Summary: The State Finance Committee is authorized to issue state general obligation bonds to finance \$1.6 billion in projects in the 2013 Supplemental and 2013-15 Capital Budgets. The State Treasurer must withdraw from state general revenues the amounts necessary to make the principal and interest payments on the bonds and deposit these amounts into the Bond Retirement Account.

Votes on Final Passage:

Second Special Session

Senate	46	1
House	79	4

Effective: July 1, 2013

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