

SENATE BILL REPORT

SB 5922

As of April 22, 2013

Title: An act relating to authorizing bonds for transportation funding.

Brief Description: Authorizing bonds for transportation funding.

Sponsors: Senator Eide.

Brief History:

Committee Activity: Transportation: 4/23/13.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Amanda Cecil (786-7429)

Background: Washington periodically issues general obligation bonds to fund transportation capital projects with a long-term expected lifespan. General obligation bonds pledge the full faith, credit, and taxing power of the state toward payment of debt service. Legislation authorizing the issuance of general obligation bonds requires a 60 percent majority vote in both the House of Representatives and the Senate. The proceeds of the bonds must then be appropriated for transportation projects.

The State Finance Committee (Committee) was created in 1921, and is composed of the Governor, the Lieutenant Governor, and the State Treasurer. 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. Article VIII, section 1(a) of the state constitution and existing statutes limit the term of state general obligation bonds to 30 years.

Summary of Bill: The Committee is authorized to issue up to \$3.6 billion in state general obligation bonds to finance projects or improvements identified as Connecting Washington projects or improvements. The bonds are backed first by the motor fuel taxes and then by the full faith and credit of the state.

Appropriation: None.

Fiscal Note: Requested on April 22, 2013.

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.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on August 1, 2013.