

1 legislative appropriation of the net proceeds of the sale of the
2 bonds.

3 NEW SECTION. **Sec. 102.** (1) The proceeds from the sale of bonds
4 authorized in section 101 of this act shall be deposited in the state
5 building construction account created by RCW 43.83.020. The proceeds
6 shall be transferred as follows:

7 (a) Two billion seven hundred twenty million nine hundred twelve
8 thousand dollars to remain in the state building construction account
9 created by RCW 43.83.020;

10 (b) Two hundred twenty-four million ninety-nine thousand dollars
11 to the state taxable building construction account. All receipts from
12 taxable bonds issued are to be deposited into the account. If the
13 state finance committee deems it necessary or advantageous to issue
14 more than the amount specified in this subsection (1)(b) as taxable
15 bonds in order to comply with federal internal revenue service rules
16 and regulations pertaining to the use of nontaxable bond proceeds or
17 in order to reduce the total financing costs for bonds issued, the
18 proceeds of such additional taxable bonds shall be transferred to the
19 state taxable building construction account in lieu of any transfer
20 otherwise provided by this section. If the state finance committee
21 determines that a portion of the amount specified in this subsection
22 (1)(b) as taxable bonds may be issued as nontaxable bonds in
23 compliance with federal internal revenue service rules and
24 regulations pertaining to the use of nontaxable bond proceeds, then
25 such bond proceeds shall be transferred to the state building
26 construction account in lieu of the transfer to the state taxable
27 building construction account otherwise provided by this subsection
28 (1)(b). The state treasurer shall submit written notice to the
29 director of financial management if it is determined that any such
30 additional transfer to the state taxable building construction
31 account is necessary or that a transfer from the state taxable
32 building construction account to the state building construction
33 account may be made. Moneys in the account may be spent only after
34 appropriation.

35 (c) The treasurer shall transfer bond proceeds deposited in the
36 state building construction account into the outdoor recreation
37 account created by RCW 79A.25.060, the habitat conservation account
38 created by RCW 79A.15.020, the farm and forest account created by RCW
39 79A.15.130, and the early learning facilities development account, at

1 various times and in various amounts necessary to support authorized
2 expenditures from those accounts.

3 (d) The treasurer shall transfer bond proceeds deposited in the
4 state taxable building construction account into the early learning
5 facilities revolving account, at various times and in various amounts
6 necessary to support authorized expenditures from that account.

7 (2) These proceeds shall be used exclusively for the purposes
8 specified in this section and for the payment of expenses incurred in
9 the issuance and sale of the bonds issued for the purposes of this
10 section, and shall be administered by the office of financial
11 management subject to legislative appropriation.

12 NEW SECTION. **Sec. 103.** (1) The debt-limit general fund bond
13 retirement account shall be used for the payment of the principal of
14 and interest on the bonds authorized in section 101 of this act.

15 (2) The state finance committee shall, on or before June 30th of
16 each year, certify to the state treasurer the amount needed in the
17 ensuing twelve months to meet the bond retirement and interest
18 requirements on the bonds authorized in section 101 of this act.

19 (3) On each date on which any interest or principal and interest
20 payment is due on bonds issued for the purposes of section 102(1) (a)
21 through (d) of this act the state treasurer shall withdraw from any
22 general state revenues received in the state treasury and deposit in
23 the debt-limit general fund bond retirement account an amount equal
24 to the amount certified by the state finance committee to be due on
25 the payment date.

26 NEW SECTION. **Sec. 104.** (1) Bonds issued under section 101 of
27 this act shall state that they are a general obligation of the state
28 of Washington, shall pledge the full faith and credit of the state to
29 the payment of the principal thereof and the interest thereon, and
30 shall contain an unconditional promise to pay the principal and
31 interest as the same shall become due.

32 (2) The owner and holder of each of the bonds or the trustee for
33 the owner and holder of any of the bonds may by mandamus or other
34 appropriate proceeding require the transfer and payment of funds as
35 directed in this section.

36 NEW SECTION. **Sec. 105.** The legislature may provide additional
37 means for raising moneys for the payment of the principal of and

1 interest on the bonds authorized in section 101 of this act, and
2 sections 102 and 103 of this act shall not be deemed to provide an
3 exclusive method for the payment.

4 **PART II**

5 **WATER RESTORATION AND ENHANCEMENT BONDS**

6 NEW SECTION. **Sec. 201.** For the purpose of providing funds for
7 the watershed restoration and enhancement program, the state finance
8 committee is authorized to issue general obligation bonds of the
9 state of Washington in the sum of two hundred million dollars, or as
10 much thereof as may be required, to finance the projects and all
11 costs incidental thereto. Bonds authorized in this section may be
12 sold at such price as the state finance committee shall determine. No
13 bonds authorized in this section may be offered for sale without
14 prior legislative appropriation of the net proceeds of the sale of
15 the bonds.

16 NEW SECTION. **Sec. 202.** (1) It is the intent of the legislature
17 that the proceeds of the new bonds authorized in section 201 of this
18 act will be appropriated in phases over five biennia, beginning with
19 the 2017-2019 biennium. This is not intended to limit the
20 legislature's ability to appropriate bond proceeds if the full amount
21 authorized in section 201 of this act has not been appropriated after
22 five biennia. The authorization to issue bonds contained in section
23 201 of this act does not expire until the full authorization has been
24 appropriated and issued.

25 (2) The bonds issued under authority of section 201 of this act
26 are not in addition to: (a) The bonds authorized under section 101 of
27 this act; or (b) the general obligation bonds of the state of
28 Washington authorized between the effective date of this section and
29 June 30, 2028.

30 NEW SECTION. **Sec. 203.** The proceeds from the sale of the bonds
31 authorized in section 201 of this act must be deposited in the
32 watershed restoration and enhancement bond account. If the state
33 finance committee deems it necessary to issue the bonds authorized in
34 section 201 of this act as taxable bonds in order to comply with
35 federal internal revenue service rules and regulations pertaining to
36 the use of nontaxable bond proceeds, the proceeds of such taxable

1 bonds must be deposited into the watershed restoration and
2 enhancement taxable bond account. The state treasurer shall submit
3 written notice to the director of financial management if it is
4 determined that any such transfer to the state taxable building
5 construction account is necessary. Moneys in the account may be spent
6 only after appropriation. The proceeds shall be used exclusively for
7 the purposes specified in section 201 of this act and for the payment
8 of expenses incurred in the issuance and sale of the bonds. These
9 proceeds shall be administered by the office of financial management,
10 subject to legislative appropriation.

11 NEW SECTION. **Sec. 204.** The debt-limit general fund bond
12 retirement account shall be used for the payment of the principal of
13 and interest on the bonds authorized in section 201 of this act. The
14 state finance committee shall, on or before June 30th of each year,
15 certify to the state treasurer the amount needed in the ensuing
16 twelve months to meet the bond retirement and interest requirements.
17 On each date on which any interest or principal and interest payment
18 is due, the state treasurer shall withdraw from any general state
19 revenues received in the state treasury and deposit in the debt-limit
20 general fund bond retirement account an amount equal to the amount
21 certified by the state finance committee to be due on the payment
22 date. Bonds issued under section 201 of this act shall state that
23 they are a general obligation of the state of Washington, shall
24 pledge the full faith and credit of the state to the payment of the
25 principal thereof and the interest thereon, and shall contain an
26 unconditional promise to pay the principal and interest as the same
27 shall become due.

28 The owner and holder of each of the bonds or the trustee for the
29 owner and holder of any of the bonds may by mandamus or other
30 appropriate proceeding require the transfer and payment of funds as
31 directed in this section.

32 NEW SECTION. **Sec. 205.** The legislature may provide additional
33 means for raising moneys for the payment of the principal of and
34 interest on the bonds authorized in section 201 of this act, and
35 section 204 of this act shall not be deemed to provide an exclusive
36 method for the payment.

1 NEW SECTION. **Sec. 303.** A new section is added to chapter 43.99H
2 RCW to read as follows:

3 If any bonds authorized in this chapter have not been issued by
4 June 30, 2018, the authority of the state finance committee to issue
5 such remaining unissued bonds expires June 30, 2018.

6 NEW SECTION. **Sec. 304.** A new section is added to chapter
7 28B.14H RCW to read as follows:

8 If any bonds authorized in this chapter have not been issued by
9 June 30, 2018, the authority of the state finance committee to issue
10 such remaining unissued bonds expires June 30, 2018.

11 NEW SECTION. **Sec. 305.** Sections 101 through 105 of this act
12 constitute a new chapter in Title 43 RCW.

13 NEW SECTION. **Sec. 306.** If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 307.** This act is necessary for the immediate
18 preservation of the public peace, health, or safety, or support of
19 the state government and its existing public institutions, and takes
20 effect immediately.

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