



2021-23 Bond Bill

Striking Amendment to SSB 5084

Proposed Compromise
S-3048.4

April 22, 2021

SSB 5084 - S AMD
By Senator Frockt

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** For the purpose of providing funds to
4 finance the projects described and authorized by the legislature in
5 the omnibus capital and operating appropriations acts for the
6 2019-2021 and 2021-2023 fiscal biennia, and all costs incidental
7 thereto, the state finance committee is authorized to issue general
8 obligation bonds of the state of Washington in the sum of
9 \$3,971,290,793, or as much thereof as may be required, to finance
10 these projects and all costs incidental thereto. Bonds authorized in
11 this section may be sold at such price as the state finance committee
12 shall determine. No bonds authorized in this section may be offered
13 for sale without prior legislative appropriation of the net proceeds
14 of the sale of the bonds.

15 NEW SECTION. **Sec. 2.** (1) The proceeds from the sale of bonds
16 authorized in section 1 of this act shall be deposited in the state
17 building construction account created by RCW 43.83.020. The proceeds
18 shall be transferred as follows:

19 (a) \$3,800,722,793 to remain in the state building construction
20 account created by RCW 43.83.020;

21 (b) \$170,568,000 to the state taxable building construction
22 account. All receipts from taxable bonds issued are to be deposited
23 into the account. If the state finance committee deems it necessary
24 or advantageous to issue more than the amount specified in this
25 subsection (1)(b) as taxable bonds in order to comply with federal
26 internal revenue service rules and regulations pertaining to the use
27 of nontaxable bond proceeds or in order to reduce the total financing
28 costs for bonds issued, the proceeds of such additional taxable bonds
29 shall be transferred to the state taxable building construction
30 account in lieu of any transfer otherwise provided by this section.
31 If the state finance committee determines that a portion of the

1 amount specified in this subsection (1)(b) as taxable bonds may be
2 issued as nontaxable bonds in compliance with federal internal
3 revenue service rules and regulations pertaining to the use of
4 nontaxable bond proceeds, then such bond proceeds shall be
5 transferred to the state building construction account in lieu of the
6 transfer to the state taxable building construction account otherwise
7 provided by this subsection (1)(b). The state treasurer shall submit
8 written notice to the director of financial management if it is
9 determined that any such additional transfer to the state taxable
10 building construction account is necessary or that a transfer from
11 the state taxable building construction account to the state building
12 construction account may be made. Moneys in the account may be spent
13 only after appropriation.

14 (2)(a) The state treasurer shall transfer bond proceeds deposited
15 in the state building construction account into the outdoor
16 recreation account created by RCW 79A.25.060, the habitat
17 conservation account created by RCW 79A.15.020, the farm and forest
18 account created by RCW 79A.15.130, and the Ruth Lecocq Kagi early
19 learning facilities development account created by RCW 43.31.569, at
20 various times and in various amounts necessary to support authorized
21 expenditures from those accounts.

22 (b) The state treasurer shall transfer bond proceeds deposited in
23 the state taxable building construction account into the Ruth Lecocq
24 Kagi early learning facilities revolving account created by RCW
25 43.31.569 at various times and in various amounts necessary to
26 support authorized expenditures from that account.

27 (3) These proceeds shall be used exclusively for the purposes
28 specified in this section and for the payment of expenses incurred in
29 the issuance and sale of the bonds issued for the purposes of this
30 section, and shall be administered by the office of financial
31 management subject to legislative appropriation.

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

35 (2) The state finance committee shall, on or before June 30th of
36 each year, certify to the state treasurer the amount needed in the
37 ensuing twelve months to meet the bond retirement and interest
38 requirements on the bonds authorized in section 1 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) and
3 (2) of this act the state treasurer shall withdraw from any general
4 state revenues received in the state treasury and deposit in the
5 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 section 1 of this
9 act shall state that they are a general obligation of the state of
10 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
19 means for raising moneys for the payment of the principal of and
20 interest on the bonds authorized in section 1 of this act, and
21 sections 2 and 3 of this act shall not be deemed to provide an
22 exclusive method for the payment.

23 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act
24 constitute 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
31 the state government and its existing public institutions, and takes
32 effect immediately."

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1 On page 1, line 2 of the title, after "accounts;" strike the
2 remainder of the title and insert "adding a new chapter to Title 43
3 RCW; and declaring an emergency."

EFFECT: Authorizes the State Finance Committee to issue \$3.97 billion in general obligation bonds to finance projects in the 2021-23 capital budget and to pay issuance and bond sale expenses.

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