
SENATE BILL 5989

State of Washington 64th Legislature 2015 Regular Session

By Senators King, Hobbs, Fain, Llias, and Litzow

Read first time 02/16/15. Referred to Committee on Transportation.

1 AN ACT Relating to authorizing bonds for transportation funding;
2 adding new sections to chapter 47.10 RCW; and providing a contingent
3 effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** In order to provide funds necessary for
6 the location, design, right-of-way, and construction of selected
7 projects or improvements that are identified as connecting Washington
8 projects or improvements in an omnibus transportation appropriations
9 act, there shall be issued and sold upon the request of the
10 department of transportation a total of four billion two hundred
11 eighty-five million dollars of general obligation bonds of the state
12 of Washington.

13 NEW SECTION. **Sec. 2.** Upon the request of the department of
14 transportation, as appropriate, the state finance committee shall
15 supervise and provide for the issuance, sale, and retirement of the
16 bonds in this act in accordance with chapter 39.42 RCW. Bonds
17 authorized by this act shall be sold in the manner, at time or times,
18 in amounts, and at the price as the state finance committee shall
19 determine. No bonds may be offered for sale without prior legislative
20 appropriation of the net proceeds of the sale of the bonds.

1 The state finance committee shall consider the issuance of short-
2 term obligations in lieu of long-term obligations for the purposes of
3 more favorable interest rates, lower total interest costs, and
4 increased marketability and for the purpose of retiring the bonds
5 during the life of the project for which they were issued.

6 NEW SECTION. **Sec. 3.** The proceeds from the sale of bonds
7 authorized by section 1 of this act shall be deposited in the
8 connecting Washington account in the motor vehicle fund. The proceeds
9 shall be available only for the purposes enumerated in section 1 of
10 this act, for the payment of bond anticipation notes, if any, and for
11 the payment of bond issuance costs, including the costs of
12 underwriting.

13 NEW SECTION. **Sec. 4.** Bonds issued under the authority of
14 sections 1 through 6 of this act shall distinctly state that they are
15 a general obligation of the state of Washington, shall pledge the
16 full faith and credit of the state to the payment of the principal
17 thereof and the interest thereon, and shall contain an unconditional
18 promise to pay such principal and interest as the same shall become
19 due. The principal and interest on the bonds shall be first payable
20 in the manner provided in sections 1 through 6 of this act from the
21 proceeds of the state excise taxes on motor vehicle and special fuels
22 imposed by chapters 82.36 and 82.38 RCW and vehicle-related fees
23 imposed under Title 46 RCW. Proceeds of these excise taxes and
24 vehicle-related fees are hereby pledged to the payment of any bonds
25 and the interest thereon issued under the authority of sections 1
26 through 6 of this act, and the legislature agrees to continue to
27 impose these excise taxes on motor vehicle and special fuels and
28 vehicle-related fees in amounts sufficient to pay, when due, the
29 principal and interest on all bonds issued under the authority of
30 sections 1 through 6 of this act.

31 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
32 issued for the purposes of sections 1 through 6 of this act shall be
33 payable from the highway bond retirement fund. The state finance
34 committee may provide that a special account be created in the fund
35 to facilitate payment of the principal and interest. The state
36 finance committee shall, on or before June 30th of each year, certify
37 to the state treasurer the amount required for principal and interest

1 on the bonds in accordance with the bond proceedings. The state
2 treasurer shall withdraw revenues from the connecting Washington
3 account in the motor vehicle fund and deposit in the highway bond
4 retirement fund, or a special account in the fund, such amounts, and
5 at such times, as are required by the bond proceedings.

6 Any funds required for bond retirement or interest on the bonds
7 authorized by sections 1 through 6 of this act shall be taken from
8 that portion of the motor vehicle fund that results from the
9 imposition of excise taxes on motor vehicle and special fuels, and
10 vehicle-related fees, and that is distributed to the connecting
11 Washington account in the motor vehicle fund. Funds required shall
12 never constitute a charge against any other allocations of motor
13 vehicle fuel and special fuel tax, and vehicle-related fee, revenues
14 to the state, counties, cities, and towns unless the amount arising
15 from excise taxes on motor vehicle and special fuels and vehicle-
16 related fees distributed to the connecting Washington account proves
17 insufficient to meet the requirements for bond retirement or interest
18 on any such bonds.

19 Any payments for bond retirement or interest on the bonds taken
20 from other revenues from the motor vehicle fuel or special fuel
21 taxes, and vehicle-related fees, that are distributable to the state,
22 counties, cities, and towns shall be repaid from the first revenues
23 from the motor vehicle fuel or special fuel taxes and vehicle-related
24 fees distributed to the connecting Washington account not required
25 for bond retirement or interest on the bonds.

26 NEW SECTION. **Sec. 6.** Bonds issued under the authority of
27 sections 1 through 5 of this act and this section and any other
28 general obligation bonds of the state of Washington that have been or
29 that may be authorized and that pledge motor vehicle and special
30 fuels excise taxes and vehicle-related fees for the payment of
31 principal and interest thereon shall be an equal charge against the
32 revenues from such motor vehicle and special fuels excise taxes and
33 vehicle-related fees.

34 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act are each
35 added to chapter 47.10 RCW.

1 NEW SECTION. **Sec. 8.** This act takes effect only if chapter ...
2 (Senate Bill No. ... (S-1301/15)), Laws of 2015 is enacted by June
3 30, 2015.

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