

By Senators Honeyford and Keiser

SHB 1166 - S COMM AMD

By Committee on Ways & Means

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 appropriations act for the 2015-2017 fiscal
6 biennium, and all costs incidental thereto, the state finance
7 committee is authorized to issue general obligation bonds of the
8 state of Washington in the sum of two billion one hundred five
9 million eight hundred forty-three thousand dollars, or as much
10 thereof as may be required, to finance these projects and all costs
11 incidental thereto. Bonds authorized in this section may be sold at
12 such price as the state finance committee shall determine. No bonds
13 authorized in this section may be offered for sale without prior
14 legislative appropriation of the net proceeds of the sale of the
15 bonds.

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

20 (a) One billion nine hundred sixty-eight million fifty thousand
21 dollars to remain in the state building construction account created
22 by RCW 43.83.020;

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

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

15 (c) The treasurer shall transfer bond proceeds deposited in the
16 state building construction account into the outdoor recreation
17 account created by RCW 79A.25.060, the habitat conservation account
18 created by RCW 79A.15.020, the riparian protection account created by
19 RCW 79A.15.120, and the farmlands preservation account created by RCW
20 79A.15.130 at various times and in various amounts necessary to
21 support authorized expenditures from those accounts.

22 (2) These proceeds shall be used exclusively for the purposes
23 specified in this section and for the payment of expenses incurred in
24 the issuance and sale of the bonds issued for the purposes of this
25 section, and shall be administered by the office of financial
26 management subject to legislative appropriation.

27 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond
28 retirement account shall be used for the payment of the principal of
29 and interest on the bonds authorized in section 2(1) (a) through (c)
30 of this act.

31 (2) The state finance committee shall, on or before June 30th of
32 each year, certify to the state treasurer the amount needed in the
33 ensuing twelve months to meet the bond retirement and interest
34 requirements on the bonds authorized in section 2(1) (a) through (c)
35 of this act.

36 (3) On each date on which any interest or principal and interest
37 payment is due on bonds issued for the purposes of section 2(1) (a)
38 through (c) of this act the state treasurer shall withdraw from any
39 general state revenues received in the state treasury and deposit in

1 the debt-limit general fund bond retirement account an amount equal
2 to the amount certified by the state finance committee to be due on
3 the payment date.

4 NEW SECTION. **Sec. 4.** (1) Bonds issued under sections 1 through
5 3 of this act shall state that they are a general obligation of the
6 state of Washington, shall pledge the full faith and credit of the
7 state to the payment of the principal thereof and the interest
8 thereon, and shall contain an unconditional promise to pay the
9 principal and interest as the same shall become due.

10 (2) The owner and holder of each of the bonds or the trustee for
11 the owner and holder of any of the bonds may by mandamus or other
12 appropriate proceeding require the transfer and payment of funds as
13 directed in this section.

14 NEW SECTION. **Sec. 5.** The legislature may provide additional
15 means for raising moneys for the payment of the principal of and
16 interest on the bonds authorized in section 1 of this act, and
17 sections 2 and 3 of this act shall not be deemed to provide an
18 exclusive method for the payment.

19 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act
20 constitute a new chapter in Title 43 RCW.

21 NEW SECTION. **Sec. 7.** If any provision of this act or its
22 application to any person or circumstance is held invalid, the
23 remainder of the act or the application of the provision to other
24 persons or circumstances is not affected.

25 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
26 preservation of the public peace, health, or safety, or support of
27 the state government and its existing public institutions, and takes
28 effect immediately."

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

EFFECT: Adjusts bond authorization to match the Capital Budget.

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