
SENATE BILL 5361

State of Washington 64th Legislature 2015 Regular Session

By Senators Lias, Pedersen, and Chase; by request of Governor Inslee

Read first time 01/20/15. Referred to Committee on Transportation.

1 AN ACT Relating to the authorization of bonds for the financing
2 of transportation projects; and adding new sections to chapter 47.10
3 RCW.

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

5 NEW SECTION. **Sec. 1.** In order to provide funds necessary to
6 finance the projects described and authorized by the legislature in
7 the omnibus transportation appropriations act for the 2015-2017
8 fiscal biennium, and all costs incidental to these projects, there
9 shall be issued and sold upon the request of the department of
10 transportation a total of three billion one hundred million dollars
11 of general obligation bonds of the state of Washington.

12 NEW SECTION. **Sec. 2.** Upon the request of the department of
13 transportation, as appropriate, the state finance committee shall
14 supervise and provide for the issuance, sale, and retirement of the
15 bonds in this act in accordance with chapter 39.42 RCW. Bonds
16 authorized by this act shall be sold in the manner, at time or times,
17 in amounts, and at the price as the state finance committee shall
18 determine. No bonds may be offered for sale without prior legislative
19 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 this act shall be deposited in the motor vehicle fund.
8 The proceeds shall be available only for the purposes enumerated in
9 section 1 of this act, for the payment of bond anticipation notes, if
10 any, and for the payment of bond issuance costs, including the costs
11 of underwriting.

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

27 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
28 issued for the purposes of this act shall be payable from the motor
29 vehicle fund. The state finance committee may provide that a special
30 account be created in the fund to facilitate payment of the principal
31 and interest. The state finance committee shall, on or before June
32 30th of each year, certify to the state treasurer the amount required
33 for principal and interest on the bonds in accordance with the bond
34 proceedings. The state treasurer shall withdraw revenues from the
35 transportation partnership account in the motor vehicle fund and
36 deposit in the highway bond retirement fund, or a special account in

1 the fund, such amounts, and at such times, as are required by the
2 bond proceedings.

3 Any funds required for bond retirement or interest on the bonds
4 authorized by this act shall be taken from that portion of the motor
5 vehicle fund that results from the imposition of excise taxes on
6 motor vehicle and special fuels and that is distributed to the
7 transportation partnership account in the motor vehicle fund. Funds
8 required shall never constitute a charge against any other
9 allocations of motor vehicle fuel and special fuel tax revenues to
10 the state, counties, cities, and towns unless the amount arising from
11 excise taxes on motor vehicle and special fuels distributed to the
12 transportation partnership account proves insufficient to meet the
13 requirements for bond retirement or interest on any such bonds.

14 Any payments for bond retirement or interest on the bonds taken
15 from other revenues from the motor vehicle fuel or special fuel taxes
16 that are distributable to the state, counties, cities, and towns
17 shall be repaid from the first revenues from the motor vehicle fuel
18 or special fuel taxes distributed to the transportation partnership
19 account not required for bond retirement or interest on the bonds.

20 NEW SECTION. **Sec. 6.** Bonds issued under the authority of this
21 act and any other general obligation bonds of the state of Washington
22 that have been or that may be authorized and that pledge motor
23 vehicle and special fuels excise taxes for the payment of principal
24 and interest thereon shall be an equal charge against the revenues
25 from such motor vehicle and special fuels excise taxes.

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

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