
SUBSTITUTE HOUSE BILL 1956

State of Washington 63rd Legislature 2013 Regular Session

By House Transportation (originally sponsored by Representatives
Clibborn, Ryu, Llias, Moscoso, and Fey)

READ FIRST TIME 04/24/13.

1 AN ACT Relating to authorizing bonds for transportation funding;
2 adding new sections to chapter 47.10 RCW; providing an effective date;
3 and providing a contingent 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 the
6 location, design, right-of-way, and construction of selected projects
7 or improvements that are identified as 2013 connecting Washington
8 projects or improvements in the omnibus transportation appropriations
9 act, there shall be issued and sold upon the request of the department
10 of transportation a total of three billion six hundred million dollars
11 and one hundred million dollars of general obligation bonds of the
12 state 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,

1 in amounts, and at the price as the state finance committee shall
2 determine. No bonds may be offered for sale without prior legislative
3 appropriation of the net proceeds of the sale of the bonds.

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

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

16 NEW SECTION. **Sec. 4.** Bonds issued under the authority of sections
17 1 through 8 of this act shall distinctly state that they are a general
18 obligation of the state of Washington, shall pledge the full faith and
19 credit of the state to the payment of the principal thereof and the
20 interest thereon, and shall contain an unconditional promise to pay
21 such principal and interest as the same shall become due. The
22 principal and interest on the bonds shall be first payable in the
23 manner provided in sections 1 through 8 of this act from the proceeds
24 of the state excise taxes on motor vehicle and special fuels imposed by
25 chapters 82.36 and 82.38 RCW. Proceeds of these excise taxes are
26 hereby pledged to the payment of any bonds and the interest thereon
27 issued under the authority of sections 1 through 8 of this act, and the
28 legislature agrees to continue to impose these excise taxes on motor
29 vehicle and special fuels in amounts sufficient to pay, when due, the
30 principal and interest on all bonds issued under the authority of
31 sections 1 through 8 of this act.

32 NEW SECTION. **Sec. 5.** Both principal and interest on the bonds
33 issued for the purposes of sections 1 through 8 of this act shall be
34 payable from the highway bond retirement fund. The state finance
35 committee may provide that a special account be created in the fund to

1 facilitate payment of the principal and interest. The state finance
2 committee shall, on or before June 30th of each year, certify to the
3 state treasurer the amount required for principal and interest on the
4 bonds in accordance with the bond proceedings. The state treasurer
5 shall withdraw revenues from the connecting Washington account in the
6 motor vehicle fund and deposit in the highway bond retirement fund, or
7 a special account in the fund, such amounts, and at such times, as are
8 required by the bond proceedings.

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

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

26 NEW SECTION. **Sec. 6.** In order to provide funds necessary for the
27 location, design, right-of-way, and construction of projects or
28 improvements on the state route number 520 corridor between Interstate
29 5 and the state route number 520 floating bridge, there shall be issued
30 and sold upon the request of the department of transportation a total
31 of one billion three hundred million dollars of general obligation
32 bonds of the state of Washington.

33 NEW SECTION. **Sec. 7.** The proceeds from the sale of bonds
34 authorized by section 6 of this act shall be deposited in the
35 connecting Washington account in the motor vehicle fund. The proceeds
36 from the sales of bonds authorized by section 6 of this act shall be

1 available only for the purposes enumerated in section 6 of this act,
2 for the payment of bond anticipation notes, if any, and for the payment
3 of bond issuance costs, including the costs of underwriting.

4 NEW SECTION. **Sec. 8.** Bonds issued under the authority of sections
5 1 through 5 of this act and this section and any other general
6 obligation bonds of the state of Washington that have been or that may
7 be authorized and that pledge motor vehicle and special fuels excise
8 taxes for the payment of principal and interest thereon shall be an
9 equal charge against the revenues from such motor vehicle and special
10 fuels excise taxes.

11 NEW SECTION. **Sec. 9.** Sections 1 through 8 of this act are each
12 added to chapter 47.10 RCW.

13 NEW SECTION. **Sec. 10.** This act takes effect August 1, 2013,
14 except for sections 6 and 7 of this act. Sections 6 and 7 of this act
15 take effect July 1, 2015, unless the secretary of transportation
16 provides certification of sufficient funding for the purposes of the
17 location, design, right-of-way, and construction of projects or
18 improvements on the state route number 520 corridor between Interstate
19 5 and the state route number 520 floating bridge. If the secretary
20 provides such certification, sections 6 and 7 of this act are null and
21 void.

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