
HOUSE BILL 2914

State of Washington

66th Legislature

2020 Regular Session

By Representatives Fey and Chapman

1 AN ACT Relating to authorizing bonds for transportation funding;
2 adding new sections to chapter 47.10 RCW; and providing an effective
3 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 fish barrier
7 removal projects that are identified as necessary to comply with a
8 federal court injunction, there shall be issued and sold upon the
9 request of the department a total of three billion nine hundred
10 million dollars of general obligation bonds of the state of
11 Washington.

12 NEW SECTION. **Sec. 2.** Upon the request of the department, as
13 appropriate, the state finance committee shall supervise and provide
14 for the issuance, sale, and retirement of the bonds in chapter 45,
15 Laws of 2015 3rd sp. sess. in accordance with chapter 39.42 RCW.
16 Bonds authorized by chapter 45, Laws of 2015 3rd sp. sess. shall be
17 sold in the manner, at time or times, in amounts, and at the price as
18 the state finance committee shall determine. No bonds may be offered
19 for sale without prior legislative appropriation of the net proceeds
20 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 this
14 section and sections 1 through 3, 5, and 6 of this act shall
15 distinctly state that they are a general obligation of the state of
16 Washington, shall pledge the full faith and credit of the state to
17 the payment of the principal thereof and the interest thereon, and
18 shall contain an unconditional promise to pay such principal and
19 interest as the same shall become due. The principal and interest on
20 the bonds shall be first payable in the manner provided in this
21 section and sections 1 through 3, 5, and 6 of this act from the
22 proceeds of the state excise taxes on fuel imposed by chapter 82.38
23 RCW and vehicle-related fees imposed under Title 46 RCW that
24 constitute license fees for motor vehicles required to be used for
25 highway purposes. Proceeds of these excise taxes and vehicle-related
26 fees are hereby pledged to the payment of any bonds and the interest
27 thereon issued under the authority of this section and sections 1
28 through 3, 5, and 6 of this act, and the legislature agrees to
29 continue to impose these excise taxes on fuel and vehicle-related
30 fees in amounts from such sources sufficient to pay, when due, the
31 principal and interest on all bonds issued under the authority of
32 this section and sections 1 through 3, 5, and 6 of this act.

33 NEW SECTION. **Sec. 5.** (1) Both principal and interest on the
34 bonds issued for the purposes of this section and sections 1 through
35 4 and 6 of this act shall be payable from the highway bond retirement
36 fund. The state finance committee may provide that a special account
37 be created in the fund to facilitate payment of the principal and

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

9 (2) (a) Any funds required for bond retirement or interest on the
10 bonds authorized by this section and sections 1 through 4 and 6 of
11 this act shall be taken from that portion of the motor vehicle fund
12 that results from the imposition of excise taxes on fuel and vehicle-
13 related fees, and that is distributed to the fish barrier removal
14 account in the motor vehicle fund.

15 (b) Funds required shall never constitute a charge against any
16 other allocations of fuel tax and vehicle-related fee revenues to the
17 state, counties, cities, and towns unless the amount arising from
18 excise taxes on fuel and vehicle-related fees distributed to the fish
19 barrier removal account described in (a) of this subsection proves
20 insufficient to meet the requirements for bond retirement or interest
21 on any such bonds.

22 (c) Any payments for bond retirement or interest on the bonds
23 taken from other revenues from the fuel taxes and vehicle-related
24 fees that are distributable to the state, counties, cities, and towns
25 shall be repaid from the first revenues from the fuel taxes and
26 vehicle-related fees distributed to the fish barrier removal account
27 described in (a) of this subsection not required for bond retirement
28 or interest on the bonds.

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

36 NEW SECTION. **Sec. 7.** For purposes of sections 1 through 6 of
37 this act, "vehicle-related fees" means vehicle-related fees imposed

1 under Title 46 RCW that constitute license fees for motor vehicles
2 required to be used for highway purposes.

3 NEW SECTION. **Sec. 8.** Sections 1 through 7 of this act are each
4 added to chapter 47.10 RCW.

5 NEW SECTION. **Sec. 9.** This act takes effect July 1, 2020.

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