AN ACT Relating to authorizing bonds for transportation funding; adding new sections to chapter 47.10 RCW; providing an effective date; providing a contingent effective date; and declaring an emergency.

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

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

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

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

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

NEW SECTION. Sec. 4. Bonds issued under the authority of
sections 1 through 6 of this act shall distinctly state that they are
a general obligation of the state of Washington, shall pledge the
full faith and credit of the state to the payment of the principal
thereof and the interest thereon, and shall contain an unconditional
promise to pay such principal and interest as the same shall become
due. The principal and interest on the bonds shall be first payable
in the manner provided in sections 1 through 6 of this act from the
proceeds of the state excise taxes on motor vehicle and special fuels
imposed by chapters 82.36 and 82.38 RCW and vehicle-related fees
imposed under Title 46 RCW that constitute license fees for motor
vehicles required to be used for highway purposes. Proceeds of these
excise taxes and vehicle-related fees are hereby pledged to the
payment of any bonds and the interest thereon issued under the
authority of sections 1 through 6 of this act, and the legislature
agrees to continue to impose these excise taxes on motor vehicle and
special fuels and vehicle-related fees in amounts from such sources
sufficient to pay, when due, the principal and interest on all bonds
issued under the authority of sections 1 through 6 of this act.

NEW SECTION. Sec. 5. Both principal and interest on the bonds
issued for the purposes of sections 1 through 6 of this act shall be
payable from the highway bond retirement fund. The state finance
committee may provide that a special account be created in the fund
to facilitate payment of the principal and interest. The state
finance committee shall, on or before June 30th of each year, certify
to the state treasurer the amount required for principal and interest
on the bonds in accordance with the bond proceedings. The state
treasurer shall withdraw revenues from the connecting Washington
account in the motor vehicle fund and deposit in the highway bond
retirement fund, or a special account in the fund, such amounts, and
at such times, as are required by the bond proceedings.

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

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

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

NEW SECTION. Sec. 7. Sections 1 through 6 of this act are each
added to chapter 47.10 RCW.
NEW SECTION.  Sec. 8.  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2015.

NEW SECTION.  Sec. 9.  This act takes effect only if chapter ... (Senate Bill No. ... (S-1301/15)), Laws of 2015 is enacted by June 30, 2015.

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