AN ACT Relating to state general obligation bonds and related accounts; adding new sections to chapter 43.100A RCW; and declaring an emergency.

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

NEW SECTION. Sec. 1. For the purpose of providing funds to finance the projects described and authorized by the legislature in the omnibus capital and operating appropriations acts for the 2017-2019 and 2019-2021 fiscal biennia, and all costs incidental thereto, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of three billion two hundred seven million three hundred fifty-six thousand dollars, or as much thereof as may be required, to finance these projects and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

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

(a) Three billion twenty-seven million three hundred ninety thousand dollars to remain in the state building construction account created by RCW 43.83.020;

(b) One hundred seventy-nine million nine hundred sixty-six thousand dollars to the state taxable building construction account. All receipts from taxable bonds issued are to be deposited into the account. If the state finance committee deems it necessary or advantageous to issue more than the amount specified in this subsection (1)(b) as taxable bonds in order to comply with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds or in order to reduce the total financing costs for bonds issued, the proceeds of such additional taxable bonds shall be transferred to the state taxable building construction account in lieu of any transfer otherwise provided by this section. If the state finance committee determines that a portion of the amount specified in this subsection (1)(b) as taxable bonds may be issued as nontaxable bonds in compliance with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds, then such bond proceeds shall be transferred to the state building construction account in lieu of the transfer to the state taxable building construction account otherwise provided by this subsection (1)(b). The state treasurer shall submit written notice to the director of financial management if it is determined that any such additional transfer to the state taxable building construction account is necessary or that a transfer from the state taxable building construction account to the state building construction account may be made. Moneys in the account may be spent only after appropriation.

(2)(a) The treasurer shall transfer bond proceeds deposited in the state building construction account into the outdoor recreation account created by RCW 79A.25.060, the habitat conservation account created by RCW 79A.15.020, the farm and forest account created by RCW 79A.15.130, and the early learning facilities development account created by RCW 43.31.569, at various times and in various amounts necessary to support authorized expenditures from those accounts.

(b) The treasurer shall transfer bond proceeds deposited in the state taxable building construction account into the early learning facilities revolving account created by RCW 43.31.569, at various
times and in various amounts necessary to support authorized
expenditures from that account.

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

NEW SECTION. Sec. 3. (1) The debt-limit general fund bond
retirement account shall be used for the payment of the principal of
and interest on the bonds authorized in section 1 of this act.

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

(3) On each date on which any interest or principal and interest
payment is due on bonds issued for the purposes of section 2 (1) and
(2) of this act the state treasurer shall withdraw from any general
state revenues received in the state treasury and deposit in the
debt-limit general fund bond retirement account an amount equal to
the amount certified by the state finance committee to be due on the
payment date.

NEW SECTION. Sec. 4. (1) Bonds issued under section 1 of this
act shall 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 the principal and
interest as the same shall become due.

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

NEW SECTION. Sec. 5. The legislature may provide additional
means for raising moneys for the payment of the principal of and
interest on the bonds authorized in section 1 of this act, and
sections 2 and 3 of this act shall not be deemed to provide an
exclusive method for the payment.
NEW SECTION. Sec. 6. Sections 1 through 5 of this act are each added to chapter 43.100A RCW.

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

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 immediately.

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