

NEW SECTION. Sec. 13. Sections 1 through 11 of this act are added to Title 43 RCW.

Passed the House February 18, 1972.

Passed the Senate February 17, 1972.

Approved by the Governor February 25, 1972.

Filed in Office of Secretary of State February 28, 1972.

CHAPTER 128

[Engrossed House Bill No. 187]

WATER SUPPLY FACILITIES BONDS

AN ACT Relating to state and local government and the support thereof; authorizing the issuance and sale of state general obligation bonds to provide for needed water supply facilities throughout the state; providing ways and means to pay said bonds; providing for submission of this act to a vote of the people; adding new sections to Title 43 RCW; and creating a new section.

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

NEW SECTION. Section 1. The long-range development goals for the state of Washington must include the provision of those supportive public services necessary for the development and expansion of industry, commerce, and employment including the furnishing of an adequate supply of water for domestic, industrial, and agricultural purposes.

NEW SECTION. Sec. 2. For the purpose of providing funds for the planning, acquisition, construction, and improvement of water supply facilities within the state, the state finance committee is authorized to issue, at any time prior to January 1, 1980, general obligation bonds of the state of Washington in the sum of seventy-five million dollars or so much thereof as may be required to finance the improvements defined in this act and all costs incidental thereto. These bonds shall be paid and discharged within twenty years of the date of issuance or within thirty years should Article VIII of the Constitution of the state of Washington be amended to permit such longer term. No bonds authorized by this act shall be offered for sale without prior legislative appropriation of the proceeds of such bonds to be sold.

NEW SECTION. Sec. 3. The proceeds from the sale of bonds authorized by this act, and any interest earned on the interim investment of such proceeds, shall be deposited in the state and local improvements revolving account hereby created in the general fund and shall be used exclusively for the purpose specified in this

act and for payment of the expenses incurred in the issuance and sale of the bonds.

NEW SECTION. Sec. 4. The proceeds from the sale of the bonds deposited in the state and local improvements revolving account of the general fund under the terms of this act shall be administered by the state department of ecology subject to legislative appropriation. The department may use or permit the use of any funds derived from the sale of bonds authorized under this act to accomplish the purpose for which said bonds are issued by direct expenditures and by grants or loans to public bodies, including grants to public bodies as matching funds in any case where federal, local, or other funds are made available on a matching basis for improvements within the purposes of this act.

NEW SECTION. Sec. 5. As used in this act, the term "water supply facilities" shall mean municipal, industrial, and agricultural water supply and distribution systems including, but not limited to, all equipment, utilities, structures, real property, and interests in and improvements on real property, necessary for or incidental to the acquisition, construction, installation, or use of any municipal, industrial, or agricultural water supply or distribution system.

As used in this act, the term "public body" means the state of Washington, or any agency, political subdivision, taxing district, or municipal corporation thereof, and those Indian tribes now or hereafter recognized as such by the federal government for participation in the federal land and water conservation program and which may constitutionally receive grants or loans from the state of Washington.

NEW SECTION. Sec. 6. This act shall be submitted to the people for their adoption and ratification, or rejection, at the general election to be held in this state on the Tuesday next succeeding the first Monday in November, 1972, in accordance with the provisions of section 3, Article VIII of the Constitution of the state of Washington, and in accordance with the provisions of section 1, Article II of the Constitution of the state of Washington, as amended, and the laws adopted to facilitate the operation thereof.

NEW SECTION. Sec. 7. The state finance committee is authorized to prescribe the form, terms, conditions, and covenants of the bonds, the time or times of sale of all or any portion of them, and the conditions and manner of their sale and issuance. None of the bonds herein authorized shall be sold for less than their par value.

NEW SECTION. Sec. 8. When the state finance committee has decided to issue such bonds or a portion thereof, it may, pending the issuing of such bonds, issue, in the name of the state, temporary notes in anticipation of the money to be derived from the sale of

such bonds, which notes shall be designated as "anticipation notes." Such portion of the proceeds of the sale of such bonds as may be required for such purpose shall be applied to the payment of the principal of and interest on such anticipation notes which have been issued. The bonds and notes shall pledge the full faith and credit of the state of Washington and shall contain an unconditional promise to pay the principal and interest when due. The state finance committee may authorize the use of a printed facsimile of the seal of the state of Washington in the issuance of the bonds and notes.

NEW SECTION. Sec. 9. The water supply facilities bond redemption fund is created in the state treasury. This fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by this act. 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 such bond retirement and interest requirements, and on July 1st of each year the state treasurer shall deposit such amount in the water supply facilities bond redemption fund from moneys transmitted to the state treasurer by the state department of revenue and certified by the department to be sales tax collections. Such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, except that portion thereof heretofore pledged for the payment of bond principal and interest. The owner and holder of each of the bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed herein.

NEW SECTION. Sec. 10. The legislature may provide additional means for raising moneys for the payment of the principal and interest of the bonds authorized herein, and this act shall not be deemed to provide an exclusive method for such payment.

NEW SECTION. Sec. 11. The bonds herein authorized shall be a legal investment for all state funds or for funds under state control and for all funds of any other public body.

NEW SECTION. Sec. 12. Sections 1 through 11 of this act are added to Title 43 RCW.

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