

government and its existing public institutions, and shall take effect immediately.

Passed the House June 10, 1985.

Passed the Senate June 11, 1985.

Approved by the Governor June 14, 1985.

Filed in Office of Secretary of State June 14, 1985.

CHAPTER 3

[House Bill No. 1327]

BONDS FOR COMMON SCHOOL CAPITAL PROJECTS

AN ACT Relating to common school capital projects; amending RCW 28A.47.841 and 28A.47.844; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 2, chapter 266, Laws of 1984 and RCW 28A.47.841 are each amended to read as follows:

For the purpose of furnishing funds for state assistance to school districts in providing common school plant facilities and modernization of existing common school plant facilities, and to provide for the state administrative cost of such projects, including costs of bond issuance and retirement, salaries and related costs of officials and employees of the state, costs of credit enhancement agreements, and other expenses incidental to the administration of capital projects, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of forty million one hundred seventy thousand dollars, or so much thereof as may be required, to finance these projects and all costs incidental thereto.

Bonds authorized in this section may be sold in such manner, at such time or times, in such amounts, and at such price as the state finance committee shall determine. ~~((Section 887, chapter 57, Laws of 1983 1st ex. sess. is appropriation authority for the bonds authorized in this section, and no further appropriation authority of the net proceeds of the sale of such bonds is necessary for the bonds authorized in this section.))~~ No such bonds may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds. The state finance committee may obtain insurance or letters of credit and may authorize the execution and delivery of agreements, promissory notes, and other obligations for the purpose of insuring the payment or enhancing the marketability of bonds authorized in this section. Promissory notes or other obligations issued pursuant to this section shall not constitute a debt or the contracting of indebtedness under any constitutional or statutory indebtedness limitation if their payment is conditioned upon the failure of the state to pay the principal of or interest on the bonds with respect to which the same relate.

Sec. 2. Section 5, chapter 266, Laws of 1984 and RCW 28A.47.844 are each amended to read as follows:

The state general obligation bond retirement fund shall be used for the payment of the principal of and interest on the bonds authorized in RCW 28A.47.841. The state finance committee may provide that a special account be created in such fund to facilitate payment of such principal and interest.

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))~~ required for principal and interest on such bonds in accordance with the provisions of the bond proceedings. ~~((Not less than thirty days prior to the date on which any interest or principal and interest payment is due.))~~ The state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the general obligation bond retirement fund ((an amount equal to the amount certified by the state finance committee to be due on the payment date)), or a special account in such fund, such amounts and at such times as are required by the bond proceedings. On each date on which any interest or principal and interest is due, the state treasurer shall cause an identical amount to be transferred to the general fund of the state treasury from that portion of the common school construction fund derived from the interest on the permanent common school fund. The transfers from the common school construction fund shall be subject to all pledges, liens, and encumbrances heretofore granted or created on the portion of the fund derived from interest on the permanent common school fund. Any deficiency in such transfer shall be made up as soon as moneys are available for transfer and shall constitute a continuing obligation of that portion of the common school construction fund derived from the interest on the permanent common school fund until all deficiencies are fully paid.

Bonds issued under RCW 28A.47.841 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.

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. 3. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state

government and its existing public institutions, and shall take effect immediately.

Passed the House June 10, 1985.

Passed the Senate June 10, 1985.

Approved by the Governor June 14, 1985.

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CHAPTER 4

[House Bill No. 1328]

BONDS FOR CAPITAL PROJECTS

AN ACT Relating to capital projects authorized in the state capital budget acts; amending RCW 75.48.020, 28A.47.792, 28A.47B.010, 28B.10.850, 28B.14C.010, and 43.83.150; adding a new chapter to Title 43 RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of two hundred eighty-five million eight hundred fifty-one thousand dollars, or so much thereof as may be required, to finance the projects authorized in section 2 of this act and all costs incidental thereto.

Bonds authorized in this section shall be sold in such manner, at such time or times, in such amounts and at such price as the state finance committee shall determine. No such bonds may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds. The state finance committee may obtain insurance or letters of credit and may authorize the execution and delivery of agreements, promissory notes, and other obligations for the purpose of insuring the payment or enhancing the marketability of bonds authorized in this section. Promissory notes or other obligations issued pursuant to this section shall not constitute a debt or the contracting of indebtedness under any constitutional or statutory indebtedness limitation if their payment is conditioned upon the failure of the state to pay the principal of or interest on the bonds with respect to which the same relate.

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. 2. Bonds issued under section 1 of this act are subject to the following conditions and limitations:

(1) General obligation bonds of the state of Washington in the sum of thirty-eight million fifty-four thousand dollars, or so much thereof as may