



Referendum Bill 38

CHAPTER 234, LAWS OF 1979, 1ST EX. SESS.

Vote cast by the 1979 legislature on final passage:
HOUSE (98 members): Yeas, 82; Nays, 13; Absent or not voting, 3.
SENATE (49 members): Yeas, 45; Nays, 2; Absent or not voting, 2.

Official Ballot Title:

Shall \$125 million in state general obligation bonds be authorized for planning, acquisition, construction and improvement of water supply facilities?

The law as it now exists:

Public water supply facilities within the state are presently financed from whatever local, state or federal funds are available for that purpose. In 1972, the people approved the issuance of \$75 million in state general obligation bonds to provide funds for municipal, industrial and agricultural water supply and distribution systems in the state, providing for payment of the bonds from

unpledged sales tax revenues or other means authorized by the legislature. The state department of ecology was designated the agency responsible for disbursing all of the bond proceeds, subject to prior legislative appropriation.

In 1979, the legislature approved a new state general obligation bond issue for water supply facilities. This 1979 act, designated Referendum Bill No. 38, requires its submission to and approval by the people at the 1980 general election before it can take effect.

Effect of Referendum Bill 38, if approved into law:

Referendum No. 38 would authorize the issuance and sale of state general obligation bonds for water supply facilities in an amount up to \$125 million. The state department of social and health services would administer \$75 million of the bond proceeds for domestic, municipal and industrial water supply facilities. The state department of ecology would administer \$50 million of the bond proceeds for agricultural water supply, alone or in combination with fishery, recreational and other beneficial uses of water.

The authority to expend funds for fishery, recreational or other

beneficial uses of water associated with agricultural water supply projects is an expansion of the purposes set forth in the 1972 law mentioned above. Referendum No. 38 also differs from the 1972 act in that it does not single out sales tax revenue as a source of repayment, but rather calls for re-payment from general state revenues.

Under Referendum No. 38, no bonds may be offered for sale without prior legislative appropriation of the proceeds of the bonds to be sold. No appropriation for the current biennium is made by this act. When issued, the bonds would mature within thirty years. However, no time limit is set on the authority to issue the bonds.

The bond issue proceeds could be spent directly by the administering agencies or allocated to public bodies, which include federal and state agencies; local political subdivisions, municipal corporations and taxing districts; and qualifying Indian tribes. Allocation of funds to public bodies would be by grants or loans, including grants as matching funds where other funds are made available on a matching basis for improvements within the purposes of the act.

NOTE: The ballot title and explanatory statement were written by the Attorney General as required by state law. The complete text of Referendum Bill 38 begins on page 59.

Statement for

1980-1990: MORE WATER THROUGH REFERENDUM 38

Referendum 38 is a bond measure that will provide \$125 million in funds for the planning, acquisition, construction and improvement of water supply facilities within the state. Fifty million dollars of the bond issue is to be used for agricultural water supply facilities in combination with fishery, recreational or other beneficial uses of water.

REFERENDUM 38 WILL PROTECT PUBLIC HEALTH

This bond measure would help assure public health standards are met for drinking water, and increase reliability of water service. During the last ten years, Washington's population has grown 10-20 percent in some areas. Aging water supply facilities must be renovated and expanded to serve Washington's growing population adequately.

STRONGER STATE ECONOMY, MORE JOBS, NO NEW TAXES

Irrigated agriculture has been a major economic enterprise in the state. Production of high value crops, and meeting food and fiber requirements, are highly dependent upon irrigation which is used to reduce economic risk of seasonal drought and assure crop quality. By stimulating industries, including building and construction, the \$125 million water supply bond issue will create jobs. Bonds will be paid off from existing state revenue sources (not property tax).

WASHINGTON'S WATER FUTURE



TAKE CARE OF IT

Voters Pamphlet Statement Prepared by:

SID W. MORRISON, State Senator; FRANK J. WARNKE, State Representative.

Advisory Committee: JERRY KOPET, Citizens for Local Water Supply and Sewage Disposal Facilities; KARA KONDO, League of Women Voters of Washington; MARVIN L. WILLIAMS, President, Washington State Labor Council; WENDELL J. SATRE, Chairman of the Board, Association of Washington Business.

Statement against

State law requires that the argument and rebuttal statement against a bond issue be written by one or more members of the state legislature who voted against that bond issue on final passage or, in the event that no such member of the legislature consents to prepare the statement, by any other responsible individual or individuals to be appointed by the Speakers of the House of Representatives, the President of the State Senate, and the Secretary of State. No legislator who voted against Referendum Bill 38 or other individual opposing the measure consented to write an argument against the measure for publication in this pamphlet.



COMPLETE TEXT OF Referendum Bill 38

AN ACT Relating to financing water supply facilities; adding a new chapter to Title 43 RCW; and providing for submission of this act to a vote of the people.

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, agricultural, municipal, fishery, recreational, and other beneficial uses.

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 general obligation bonds of the state of Washington in the sum of one hundred twenty-five million dollars, or so much thereof as may be required, to finance the improvements defined in this chapter and all costs incidental thereto. These bonds shall be paid and discharged within thirty years of the date of issuance in accordance with Article VIII, section 1 of the state Constitution. No bonds authorized by this chapter may be offered for sale without prior legislative appropriation of the proceeds of the bonds to be sold.

NEW SECTION. Sec. 3. The proceeds from the sale of bonds authorized by this chapter shall be deposited in the state and local improvements revolving account—water supply facilities hereby created in the general fund and shall be used exclusively for the purpose specified in this chapter 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—water supply facilities of the general fund under the terms of this chapter shall be divided into two shares as follows:

(1) Seventy-five million dollars, or so much thereof as may be required, shall be used for domestic, municipal, and industrial water supply facilities; and

(2) Fifty million dollars, or so much thereof as may be required, shall be used for water supply facilities for agricultural use alone or in combination with fishery, recreational, or other beneficial uses of water.

The share of seventy-five million dollars shall be administered by the department of social and health services and the share of fifty million dollars shall be administered by the department of ecology, subject to legislative appropriation. The administering departments may use or permit the use of any funds derived from the sale of bonds authorized under this chapter to accomplish the purpose for the issuance of the bonds 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 chapter.

NEW SECTION. Sec. 5. As used in this chapter, the term "water supply facilities" means domestic, municipal, industrial, and agricultural (and any associated fishery, recreational, or other beneficial use) water supply or 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 such water supply or distribution system.

As used in this chapter, the term "public body" means the state of Washington or any agency, political subdivision, taxing district, or municipal or public corporation thereof; an agency of the federal government; and those Indian tribes which may constitutionally receive grants or loans from the state of Washington.

NEW SECTION. Sec. 6. The state finance committee is authorized to prescribe the forms, 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 authorized by this chapter may be sold for less than their par value.

NEW SECTION. Sec. 7. When the state finance committee has decided to issue the bonds, or a portion of the bonds, it may, pending the issuance of the bonds, issue, in the name of the state, temporary notes in anticipation of the money to be derived from the sale of the bonds, which notes shall be designated as "anticipation notes". The portion of the proceeds of the sale of the bonds as may be required for this purpose shall be applied to the payment of the principal of and interest on the 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. 8. The public 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 chapter. 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. 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 public water supply facilities bond redemption fund an amount equal to the amount certified by the state finance committee to be due on the payment date. If a state general obligation bond retirement fund is created in the state treasury by chapter . . . (SB 2361), Laws of 1979 1st ex. sess. and becomes effective by statute prior to the issuance of any of the bonds authorized by sections 1 through 11 of this act, the state general obligation bond retirement fund shall be used for purposes of sections 1 through 11 of this act in lieu of the public water supply facilities

bond redemption fund, and the public water supply facilities bond redemption fund shall cease to exist. 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. 9. The legislature may provide additional means for raising moneys for the payment of the principal and interest of the bonds authorized in this chapter, and this chapter shall not be considered to provide an exclusive method for the payment.

NEW SECTION. Sec. 10. The bonds authorized in this chapter 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. 11. 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. 12. 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, 1980, in accordance with Article VIII, section 3 of the state Constitution, in accordance with Article II, section 1 of the state Constitution, and the laws adopted to facilitate the operation thereof.

NEW SECTION. Sec. 13. Sections 1 through 11 of this act shall constitute a new chapter in Title 43 RCW.

funds for the planning, design, acquisition, construction, and improvement of public waste disposal and management facilities in this state, the state finance committee is authorized to issue, at any time prior to January 1, 1990, general obligation bonds of the state of Washington in the sum of four hundred fifty million dollars, or so much thereof as may be required, to finance the improvements defined in this chapter and all costs incidental thereto. The department may not use or permit the use of any funds derived from the sale of bonds authorized by this chapter for: (1) the support of a solid waste recycling activity or service in a locale if the department determines that the activity or service is reasonably available to persons within that locale from private enterprise; or (2) the construction of municipal wastewater facilities unless said facilities have been approved by a general purpose unit of local government in accordance with chapter 36.94 RCW, chapter 35.67 RCW, or RCW 56.08.020. These bonds shall be paid and discharged within thirty years of the date of issuance. No bonds authorized by this chapter shall be offered for sale without prior legislative appropriation of the proceeds of the bonds to be sold.

NEW SECTION. Sec. 3. The proceeds from the sale of bonds authorized by this chapter shall be deposited in the state and local improvements revolving account, Waste Disposal Facilities, 1980 hereby created in the general fund and shall be used exclusively for the purpose specified in this chapter 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, Waste Disposal Facilities, 1980 of the general fund under the terms of this chapter 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 chapter to accomplish the purpose for which the bonds are issued by direct expenditures and by grants or loans to public bodies, including grants to public bodies as cost-sharing funds in any case where federal, local, or other funds are made available on a cost-sharing basis for improvements within the purposes of this chapter. The department shall ensure that funds derived from the sale of bonds authorized under this chapter do not constitute more than seventy-five percent of the total cost of any waste disposal or management facility. Not more than two percent of the proceeds of the bond issue may be used by the department of ecology in relation to the administration of the expenditures, grants, and loans.

At least one hundred fifty million dollars of the proceeds of the bonds authorized by this chapter shall be used exclusively for waste management systems capable of producing renewable energy or energy savings as a result of the management of the wastes. "Renewable energy" means, but is not limited to, the production of steam, hot water for steam heat, electricity, cogeneration, gas, or fuel through the use of wastes by incineration, refuse-derived fuel processes, pyrolysis, hydrolysis, or bioconversion, and energy savings through material recovery from waste source separation and/or recycling.

The department of ecology shall present a progress report



COMPLETE TEXT OF Referendum Bill 39

AN ACT Relating to the financing of pollution control facilities and systems; authorizing the issuance and sale of general obligation bonds to provide for pollution control facilities and systems and public works throughout the state; providing ways and means to pay for the bonds; providing for submission of this act to a vote of the people; and adding a new chapter to Title 43 RCW.

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 protection of the resources and environment of the state, the health and safety of its people, and the beneficial uses of water by providing facilities and systems, among others, for the general control, collection, treatment, or disposal of nonradioactive solid and nonradioactive liquid waste materials. The purpose of this chapter is to assist the state and local governments in providing that protection but it is not the purpose of this chapter to provide funding for facilities which encourage development.

NEW SECTION. Sec. 2. For the purpose of providing