

**Chapter 36.67 RCW**  
**LIMITATION OF INDEBTEDNESS—COUNTY BONDS**

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**RCW 36.67.010 Authority to contract indebtedness—Limitations.**

A county may contract indebtedness for general county purposes subject to the limitations on indebtedness provided for in RCW 39.36.020(2). Bonds evidencing such indebtedness shall be issued and sold in accordance with chapter 39.46 RCW. [1984 c 186 s 27; 1971 c 76 s 1; 1970 ex.s. c 42 s 17; 1963 c 4 s 36.67.010. Prior: 1890 p 37 s 1; RRS s 5575.]

**Purpose—1984 c 186:** See note following RCW 39.46.110.

*Validation requirement: RCW 39.40.010.*

**RCW 36.67.060 Bond retirement.** Bonds issued under this chapter shall be retired by an annual tax levy and by any other moneys lawfully available and pledged therefor. [1984 c 186 s 28; 1983 c 167 s 77; 1975 1st ex.s. c 188 s 1; 1963 c 4 s 36.67.060. Prior: (i) 1890 p 39 s 6; RRS s 5580. (ii) 1890 p 39 s 7; RRS s 5581.]

**Purpose—1984 c 186:** See note following RCW 39.46.110.

**Liberal construction—Severability—1983 c 167:** See RCW 39.46.010 and note following.

**RCW 36.67.070 Payment of interest.** Any coupons for the payment of interest on the bonds shall be considered for all purposes as warrants drawn upon the current expense fund of the county issuing bonds, and if when presented to the treasurer of the county no funds are in the treasury to pay them, the treasurer shall indorse the coupons as presented for payment, in the same manner as county warrants are indorsed, and thereafter they shall bear interest at the same rate as county warrants presented and unpaid. If there are no funds in the treasury to make payment on a bond not having coupons, the interest payment shall continue bearing interest at the bond rate until it is paid, unless otherwise provided in the proceedings authorizing the sale of the bonds. [1983 c 167 s 78; 1963 c 4 s 36.67.070. Prior: 1890 p 39 s 8; RRS s 5582.]

**Liberal construction—Severability—1983 c 167:** See RCW 39.46.010 and note following.

REVENUE BONDS

**RCW 36.67.500 "This chapter" means RCW 36.67.510 through 36.67.570.** As used in RCW 36.67.500 through 36.67.570 "this chapter" means RCW 36.67.510 through 36.67.570. [1965 c 142 s 8.]

**RCW 36.67.510 Revenue bonds authorized.** The county legislative authority of any county is hereby authorized for the purpose of carrying out the lawful powers granted to the counties by the laws of the state to contract indebtedness and to issue revenue bonds evidencing such indebtedness in conformity with this chapter. Such

bonds may be issued and sold in accordance with chapter 39.46 RCW. [1983 c 167 s 79; 1965 c 142 s 1.]

**Liberal construction—Severability—1983 c 167:** See RCW 39.46.010 and note following.

**RCW 36.67.520 When issued—Amounts—Purposes—Costs and expenses.** All such revenue bonds authorized under the terms of this chapter may be issued and sold by the counties from time to time and in such amounts as is deemed necessary by the legislative authority of each county to provide sufficient funds for the carrying out of all county powers, without limiting the generality thereof, including the following: Acquisition; construction; reconstruction; maintenance; repair; additions; operations of parks and recreations; flood control facilities; pollution facilities; parking facilities as a part of a courthouse or combined county-city building facility; and any other county purpose from which revenues can be derived. Included in the costs thereof shall be any necessary engineering, inspection, accounting, fiscal, and legal expenses, the cost of issuance of bonds, including printing, engraving, and advertising and other similar expenses, payment of interest on such bonds during the construction of such facilities and a period no greater than one year after such construction is completed, and the proceeds of such bond issue are hereby made available for all such purposes. Revenue bonds may also be issued to refund revenue bonds or general obligation bonds which are issued for any of the purposes specified in this section. [1981 c 313 s 12; 1969 ex.s. c 8 s 2; 1965 c 142 s 2.]

**Severability—1981 c 313:** See note following RCW 36.94.020.

*Parking facilities as part of courthouse or county-city building: RCW 36.01.080.*

**RCW 36.67.530 Form—Terms—Interest—Execution and signatures.** (1) When revenue bonds are issued for authorized purposes, said bonds shall be either registered as to principal only or as to principal and interest as provided in RCW 39.46.030, or shall be bearer bonds; shall be in such denominations, shall be numbered, shall bear such date, shall be payable at such time or times up to a maximum period of not to exceed thirty years and payable at the office of the county treasurer, and such other places as determined by the county legislative authority of the county; shall bear interest payable and evidenced to maturity on bonds not registered as to interest by coupons attached to said bonds bearing a coupon interest rate or rates as authorized by the county legislative authority; shall be executed by the chair of the county legislative authority, and attested by the clerk of the legislative authority, and the seal of such legislative authority shall be affixed to each bond, but not to any coupon; and may have facsimile signatures of the chair and the clerk imprinted on each bond and any interest coupons in lieu of original signatures and the facsimile seal imprinted on each bond.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW. [2009 c

549 s 4101; 1983 c 167 s 80; 1981 c 313 s 13; 1970 ex.s. c 56 s 50; 1969 ex.s. c 232 s 27; 1965 c 142 s 3.]

**Liberal construction—Severability—1983 c 167:** See RCW 39.46.010 and note following.

**Severability—1981 c 313:** See note following RCW 36.94.020.

**Purpose—1970 ex.s. c 56:** See note following RCW 39.52.020.

**Validation—Saving—Severability—1969 ex.s. c 232:** See notes following RCW 39.52.020.

**RCW 36.67.540 Special funds, creation and use—Use of tax revenue prohibited—Bonds are negotiable instruments—Statement on face—Remedy for failure to set aside revenue.** Bonds issued under the provisions of this chapter shall be payable solely out of the operating revenues of the county. Such bonds shall be authorized by resolution adopted by the county legislative authority, which resolution shall create a special fund or funds into which the county legislative authority may obligate and bind the county to set aside and pay any part or parts of, or all of, or a fixed proportion of, or fixed amounts of gross revenue received by the county from moneys for services or activities as stated in the resolution, for the purpose of paying the principal of and interest on such bonds as the same shall become due, and if deemed necessary to maintain adequate reserves therefor. Such fund or funds shall be drawn upon solely for the purpose of paying the principal and interest upon the bonds issued pursuant to this chapter.

The bonds shall be negotiable instruments within the provision and intent of the negotiable instruments law of this state, even though they shall be payable solely from such special fund or funds, and the tax revenue of the county may not be used to pay, secure, or guarantee the payment of the principal of and interest on such bonds. The bonds and any coupons attached thereto shall state upon their face that they are payable solely from such special fund or funds. If the county fails to set aside and pay into such fund or funds, the payments provided for in such resolution, the owner of any such bonds may bring suit to compel compliance with the provisions of the resolution. [1983 c 167 s 81; 1965 c 142 s 4.]

**Liberal construction—Severability—1983 c 167:** See RCW 39.46.010 and note following.

**RCW 36.67.550 Covenants—Law and resolutions constitute contract with holders—Remedies.** The board of county commissioners may provide covenants as it may deem necessary to secure the payment of the principal of and interest on such bonds and may, but shall not be required to, include covenants to create a reserve fund or account and to authorize the payment or deposit of certain moneys therein for the purpose of securing the payment of such principal and interest; to establish, maintain, and collect rates, charges, fees, rentals, and the like on the facilities and service the income of which is pledged for the payment of such bonds, sufficient to pay or secure the payment

of such principal and interest and to maintain an adequate coverage over annual debt service; and to make any and all other covenants not inconsistent with the provisions of this chapter which will increase the marketability of such bonds. The board may also provide that revenue bonds payable out of the same source or sources may later be sold on a parity with any revenue bonds being issued and sold. The provisions of this chapter and any resolution or resolutions providing for the authorization, issuance, and sale of such bonds shall constitute a contract with the holder of such bonds, and the provisions thereof shall be enforceable by any owner or holder of such bonds by mandamus or any appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction. [1965 c 142 s 5.]

**RCW 36.67.560 Funding and refunding.** (1) The county legislative authority of any county may by resolution, from time to time, provide for the issuance of funding or refunding revenue bonds to fund or refund any outstanding revenue bonds and any interest and premiums due thereon at or before the maturity of such bonds, and parts or all of various series and issues of outstanding revenue bonds in the amount thereof to be funded or refunded. Such bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030.

The county legislative authority shall create a special fund for the sole purpose of paying the principal of and interest on such funding or refunding revenue bonds, into which fund the legislative authority shall obligate and bind the county to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of the revenue of the facility of the county sufficient to pay such principal and interest as the same shall become due, and if deemed necessary to maintain adequate reserves therefor.

Such funding or refunding bonds shall be negotiable instruments within the provisions and intent of the negotiable instruments law of this state, and the tax revenue of the county may not be used to pay, secure, or guarantee the payment of the principal of and interest on such bonds.

The county may exchange such funding or refunding bonds for the bonds, and any coupons being funded or refunded, or it may sell such funding or refunding bonds in the manner, at such price and at such rate or rates of interest as the legislative authority shall deem to be for the best interest of the county and its inhabitants, either at public or private sale.

The provisions of this chapter relating to the terms, conditions, covenants, issuance, and sale of revenue bonds shall be applicable to such funding or refunding bonds except as may be otherwise specifically provided in this section.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW. [1983 c 167 s 82; 1970 ex.s. c 56 s 51; 1969 ex.s. c 232 s 28; 1965 c 142 s 6.]

**Liberal construction—Severability—1983 c 167:** See RCW 39.46.010 and note following.

**Purpose—1970 ex.s. c 56:** See note following RCW 39.52.020.

~~Validation—Saving—Severability—1969 ex.s. c 232~~: See notes following RCW 39.52.020.

**RCW 36.67.570 Liberal construction—Effect of other acts.** This chapter shall be complete authority for the issuance of the revenue bonds hereby authorized, and shall be liberally construed to accomplish its purposes. Any restrictions, limitations or regulations relative to the issuance of such revenue bonds contained in any other act shall not apply to the bonds issued under this chapter. Any act inconsistent herewith shall be deemed modified to conform with the provisions of this chapter for the purpose of this chapter only. [1965 c 142 s 7.]