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SENATE BILL 6301

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State of Washington                      54th Legislature                      1996 Regular Session

By Senators Oke, Haugen, Wood, Rasmussen and A. Anderson

Read first time 01/10/96. Referred to Committee on Education.

1            AN ACT Relating to school districts; amending RCW 28A.535.020,  
2 28A.535.050, 84.52.053, 84.52.056, and 39.36.020; repealing RCW  
3 28A.530.020; and providing a contingent effective date.

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

5            **Sec. 1.** RCW 28A.535.020 and 1995 c 111 s 1 are each amended to  
6 read as follows:

7            Whenever the board of directors of any school district shall deem  
8 it advisable to validate and ratify the indebtedness mentioned in RCW  
9 28A.535.010, they shall provide therefor by resolution, which shall be  
10 entered on the records of such school district, which resolution shall  
11 provide for the holding of an election for the purpose of submitting  
12 the question of validating and ratifying the indebtedness so incurred  
13 to the voters of such school district for approval or disapproval, and  
14 if at ((such)) a general election ((~~three-fifths~~)) a majority of the  
15 voters in such school district voting at such election shall vote in  
16 favor of the validation and ratification of such indebtedness, then  
17 such indebtedness so validated and ratified and every part thereof  
18 existing at the time of the adoption of said resolution shall thereby  
19 become and is hereby declared to be validated and ratified and a

1 binding obligation upon such school district. The resolution adopted  
2 by the board of directors shall specify the purposes of the debt  
3 financing measure, including the specific buildings to be constructed  
4 or remodelled and any additional specific purposes as authorized by RCW  
5 28A.530.010. If the debt financing measure anticipates the receipt of  
6 state financing assistance under chapter 28A.525 RCW, the board  
7 resolution also shall describe the specific anticipated purpose of the  
8 state assistance. If the school board subsequently determines that  
9 state or local circumstances should cause any alteration to the  
10 specific expenditures from the debt financing or of the state  
11 assistance, the board shall first conduct a public hearing to consider  
12 those circumstances and to receive public testimony. If the board then  
13 determines that any such alterations are in the best interests of the  
14 district, it may adopt a new resolution or amend the original  
15 resolution at a public meeting held subsequent to the meeting at which  
16 public testimony was received.

17 **Sec. 2.** RCW 28A.535.050 and 1984 c 186 s 14 are each amended to  
18 read as follows:

19 If the indebtedness of such school district is validated and  
20 ratified, as provided in this chapter, (~~by three-fifths of the voters~~  
21 ~~voting at such election,~~) the board of directors of such school  
22 district, without any further vote, may borrow money and issue and sell  
23 negotiable bonds therefor in accordance with chapter 39.46 RCW.

24 **Sec. 3.** RCW 84.52.053 and 1994 c 116 s 1 are each amended to read  
25 as follows:

26 The limitations imposed by RCW 84.52.050 through 84.52.056, and  
27 84.52.043 shall not prevent the levy of taxes by school districts, when  
28 authorized so to do by the voters of such school district in the manner  
29 and for the purposes and number of years allowable under Article VII,  
30 section 2(a) of the Constitution of this state. Elections for such  
31 taxes shall be held in the year in which the levy is made or, in the  
32 case of propositions authorizing two-year levies for maintenance and  
33 operation support of a school district, authorizing two-year levies for  
34 transportation vehicle funds established in RCW 28A.160.130, or  
35 authorizing two-year through six-year levies to support the  
36 construction, modernization, or remodeling of school facilities, in the  
37 year in which the first annual levy is made: PROVIDED, That once

1 additional tax levies have been authorized for maintenance and  
2 operation support of a school district for a two-year period, no  
3 further additional tax levies for maintenance and operation support of  
4 the district for that period may be authorized.

5 ~~((A special election may be called and the time therefor fixed by  
6 the board of school directors, by giving notice thereof by publication  
7 in the manner provided by law for giving notices of general elections,  
8 at which special election the proposition authorizing such excess levy  
9 shall be submitted in such form as to enable the voters favoring the  
10 proposition to vote "yes" and those opposed thereto to vote "no".))~~

11 **Sec. 4.** RCW 84.52.056 and 1973 1st ex.s. c 195 s 104 are each  
12 amended to read as follows:

13 Any municipal corporation otherwise authorized by law to issue  
14 general obligation bonds for capital purposes may, at an election duly  
15 held after giving notice thereof as required by law, authorize the  
16 issuance of general obligation bonds for capital purposes only, which  
17 shall not include the replacement of equipment, and provide for the  
18 payment of the principal and interest of such bonds by annual levies in  
19 excess of the tax limitations contained in RCW 84.52.050 to 84.52.056,  
20 inclusive and RCW 84.52.043. Such an election shall not be held  
21 oftener than twice a calendar year, and the proposition to issue any  
22 such bonds and to exceed said tax limitation must receive the  
23 affirmative vote of a three-fifths majority of those voting on the  
24 proposition and the total number of ~~((persons))~~ voters voting at such  
25 election must constitute not less than forty percent of the voters in  
26 said municipal corporation who voted at the last preceding general  
27 state election, except that a proposition by a school district to issue  
28 such bonds and to pay the principal and interest on the bonds by annual  
29 tax levies shall be authorized by receiving the affirmative vote of a  
30 majority of the voters voting on the proposition at a general election.

31 Any taxing district shall have the right by vote of its governing  
32 body to refund any general obligation bonds of said district issued for  
33 capital purposes only, and to provide for the interest thereon and  
34 amortization thereof by annual levies in excess of the tax limitations  
35 provided for in RCW 84.52.050 to 84.52.056, inclusive and RCW  
36 84.52.043.

1       **Sec. 5.** RCW 39.36.020 and 1994 c 277 s 1 are each amended to read  
2 as follows:

3       (1) Except as otherwise expressly provided by law or in subsections  
4 (2), (3) and (4) of this section, no taxing district shall for any  
5 purpose become indebted in any manner to an amount exceeding  
6 three-eighths of one percent of the value of the taxable property in  
7 such taxing district without the assent of three-fifths of the voters  
8 therein voting at an election to be held for that purpose, nor in cases  
9 requiring such assent shall the total indebtedness incurred at any time  
10 exceed one and one-fourth percent on the value of the taxable property  
11 therein.

12       (2)(a)(i) Public hospital districts are limited to an indebtedness  
13 amount not exceeding three-fourths of one percent of the value of the  
14 taxable property in such public hospital districts without the assent  
15 of three-fifths of the voters therein voting at an election held for  
16 that purpose.

17       (ii) Counties, cities, and towns are limited to an indebtedness  
18 amount not exceeding one and one-half percent of the value of the  
19 taxable property in such counties, cities, or towns without the assent  
20 of three-fifths of the voters therein voting at an election held for  
21 that purpose.

22       (b) In cases requiring such assent counties, cities, towns, and  
23 public hospital districts are limited to a total indebtedness of two  
24 and one-half percent of the value of the taxable property therein.  
25 However, any county that has assumed the rights, powers, functions, and  
26 obligations of a metropolitan municipal corporation under chapter 36.56  
27 RCW may become indebted to a larger amount for its authorized  
28 metropolitan functions, as provided under chapter 35.58 RCW, but not  
29 exceeding an additional three-fourths of one percent of the value of  
30 the taxable property in the county without the assent of three-fifths  
31 of the voters therein voting at an election held for that purpose, and  
32 in cases requiring such assent not exceeding an additional two and one-  
33 half percent of the value of the taxable property in the county.

34       (3) School districts are limited to an indebtedness amount not  
35 exceeding three-eighths of one percent of the value of the taxable  
36 property in such district without the assent of ~~((three-fifths))~~ a  
37 majority of the voters therein voting at ~~((an))~~ a general election held  
38 for that purpose. In cases requiring such assent school districts are

1 limited to a total indebtedness of two and one-half percent of the  
2 value of the taxable property therein.

3 (4) No part of the indebtedness allowed in this chapter shall be  
4 incurred for any purpose other than strictly county, city, town, school  
5 district, township, port district, metropolitan park district, or other  
6 municipal purposes: PROVIDED, That a city or town, with such assent,  
7 may become indebted to a larger amount, but not exceeding two and one-  
8 half percent additional, determined as herein provided, for supplying  
9 such city or town with water, artificial light, and sewers, when the  
10 works for supplying such water, light, and sewers shall be owned and  
11 controlled by the city or town; and a city or town, with such assent,  
12 may become indebted to a larger amount, but not exceeding two and one-  
13 half percent additional for acquiring or developing open space and park  
14 facilities: PROVIDED FURTHER, That any school district may become  
15 indebted to a larger amount but not exceeding two and one-half percent  
16 additional for capital outlays.

17 (5) Such indebtedness may be authorized in any total amount in one  
18 or more propositions and the amount of such authorization may exceed  
19 the amount of indebtedness which could then lawfully be incurred. Such  
20 indebtedness may be incurred in one or more series of bonds from time  
21 to time out of such authorization but at no time shall the total  
22 general indebtedness of any taxing district exceed the above  
23 limitation.

24 The term "value of the taxable property" as used in this section  
25 shall have the meaning set forth in RCW 39.36.015.

26 NEW SECTION. **Sec. 6.** RCW 28A.530.020 and 1990 c 33 s 478, 1984 c  
27 186 s 11, 1970 ex.s. c 42 s 9, & 1969 ex.s. c 223 s 28A.51.020 are each  
28 repealed.

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

33 NEW SECTION. **Sec. 8.** This act shall take effect when the proposed  
34 amendment to Article VII, section 2 and Article VIII, section 6 of the  
35 state Constitution providing for a simple majority of voters voting at  
36 a general election to authorize school district levies and bonds is

1 validly submitted to and is approved and ratified by the voters at the  
2 next general election and certified by the secretary of state. If the  
3 proposed amendment is not so approved, ratified, and certified, this  
4 act is void in its entirety.

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