

2 **ESHB 1298** - S COMM AMD
3 By Committee on Education

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5 Strike everything after the enacting clause and insert the
6 following:

7 "**Sec. 1.** RCW 28A.535.020 and 1990 c 33 s 481 are each amended to
8 read as follows:

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

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

25 If the indebtedness of such school district is validated and
26 ratified, as provided in this chapter, by (~~((three-fifths))~~) a majority
27 of the voters voting at such election, the board of directors of such
28 school district, without any further vote, may borrow money and issue
29 and sell negotiable bonds therefor in accordance with chapter 39.46
30 RCW.

31 **Sec. 3.** RCW 84.52.056 and 1973 1st ex.s. c 195 s 104 are each
32 amended to read as follows:

33 Any municipal corporation otherwise authorized by law to issue
34 general obligation bonds for capital purposes may, at an election duly

1 held after giving notice thereof as required by law, authorize the
2 issuance of general obligation bonds for capital purposes only, which
3 shall not include the replacement of equipment, and provide for the
4 payment of the principal and interest of such bonds by annual levies in
5 excess of the tax limitations contained in RCW 84.52.050 to 84.52.056,
6 inclusive and RCW 84.52.043. Such an election shall not be held
7 oftener than twice a calendar year, and the proposition to issue any
8 such bonds and to exceed said tax limitation must receive the
9 affirmative vote of a three-fifths majority of those voting on the
10 proposition and the total number of (~~persons~~) voters voting at such
11 election must constitute not less than forty percent of the voters in
12 said municipal corporation who voted at the last preceding general
13 state election, except that a proposition by a school district to issue
14 bonds with a term of nine years or less, and to pay the principal and
15 interest on the bonds by annual tax levies during the term of the
16 bonds in excess of the limitation contained in RCW 84.52.043 and
17 84.52.050 through 84.52.056, shall be approved by a majority of the
18 voters voting on the proposition; and except that a proposition by a
19 school district to issue bonds with a term greater than nine years, and
20 to pay the principal and interest on the bond by annual tax levies
21 during the term of the bond in excess of the limitation contained in
22 RCW 84.52.043 and 84.52.050 through 84.52.056, shall be approved by at
23 least three-fifths of the voters voting on the proposition.

24 Any taxing district shall have the right by vote of its governing
25 body to refund any general obligation bonds of said district issued for
26 capital purposes only, and to provide for the interest thereon and
27 amortization thereof by annual levies in excess of the tax limitations
28 provided for in RCW 84.52.050 to 84.52.056, inclusive and RCW
29 84.52.043.

30 **Sec. 4.** RCW 39.36.020 and 1971 ex.s. c 218 s 1 are each amended to
31 read as follows:

32 (1) Except as otherwise expressly provided by law or in subsections
33 (2), (3) and (4) of this section, no taxing district shall for any
34 purpose become indebted in any manner to an amount exceeding
35 three-eighths of one percent of the value of the taxable property in
36 such taxing district without the assent of three-fifths of the voters
37 therein voting at an election to be held for that purpose, nor in cases
38 requiring such assent shall the total indebtedness incurred at any time

1 exceed one and one-fourth percent on the value of the taxable property
2 therein.

3 (2) Counties, cities, towns, and public hospital districts are
4 limited to an indebtedness amount not exceeding three-fourths of one
5 percent of the value of the taxable property in such counties, cities,
6 towns, or public hospital districts without the assent of three-fifths
7 of the voters therein voting at an election held for that purpose. In
8 cases requiring such assent counties, cities, towns, and public
9 hospital districts are limited to a total indebtedness of two and one-
10 half percent of the value of the taxable property therein.

11 (3) School districts are limited to an indebtedness amount not
12 exceeding three-eighths of one percent of the value of the taxable
13 property in such district without the assent of (~~three-fifths~~) a
14 majority of the voters therein voting at an election held for that
15 purpose. In cases requiring such assent school districts are limited
16 to a total indebtedness of two and one-half percent of the value of the
17 taxable property therein.

18 (4) No part of the indebtedness allowed in this chapter shall be
19 incurred for any purpose other than strictly county, city, town, school
20 district, township, port district, metropolitan park district, or other
21 municipal purposes: PROVIDED, That a city or town, with such assent,
22 may become indebted to a larger amount, but not exceeding two and one-
23 half percent additional, determined as herein provided, for supplying
24 such city or town with water, artificial light, and sewers, when the
25 works for supplying such water, light, and sewers shall be owned and
26 controlled by the city or town; and a city or town, with such assent,
27 may become indebted to a larger amount, but not exceeding two and one-
28 half percent additional for acquiring or developing open space and park
29 facilities: PROVIDED FURTHER, That any school district may become
30 indebted to a larger amount but not exceeding two and one-half percent
31 additional for capital outlays.

32 (5) Such indebtedness may be authorized in any total amount in one
33 or more propositions and the amount of such authorization may exceed
34 the amount of indebtedness which could then lawfully be incurred. Such
35 indebtedness may be incurred in one or more series of bonds from time
36 to time out of such authorization but at no time shall the total
37 general indebtedness of any taxing district exceed the above
38 limitation.

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

3 NEW SECTION. **Sec. 5.** RCW 28A.530.020 and 1990 c 33 s 478, 1984 c
4 186 s 11, 1970 ex.s. c 42 s 9, & 1969 ex.s. c 223 s 28A.51.020 are each
5 repealed.

6 NEW SECTION. **Sec. 6.** If any provision of this act or its
7 application to any person or circumstance is held invalid, the
8 remainder of the act or the application of the provision to other
9 persons or circumstances is not affected.

10 NEW SECTION. **Sec. 7.** This act shall take effect when the proposed
11 amendment to Article VII, section 2 and Article VIII, section 6 of the
12 state Constitution providing for a simple majority of voters voting to
13 authorize school district levies and bonds is validly submitted to and
14 is approved and ratified by the voters at the next general election and
15 certified by the secretary of state. If the proposed amendment is not
16 so approved, ratified, and certified, this act is void in its
17 entirety."

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21 On page 1, line 1 of the title, after "elections;" strike the
22 remainder of the title and insert "amending RCW 28A.535.020,
23 28A.535.050, 84.52.056, and 39.36.020; repealing RCW 28A.530.020; and
24 providing a contingent effective date."

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