
SENATE BILL 6620

State of Washington 55th Legislature 1998 Regular Session

By Senators Bauer, Strannigan, Fraser and Wojahn

Read first time . Referred to Committee on .

1 AN ACT Relating to authority of school districts to borrow money
2 and issue bonds; amending RCW 28A.530.010 and 28A.525.168; and adding
3 a new section to chapter 28A.525 RCW.

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

5 **Sec. 1.** RCW 28A.530.010 and 1991 c 114 s 3 are each amended to
6 read as follows:

7 The board of directors of any school district may borrow money and
8 issue negotiable bonds therefor for the purpose of:

9 (1) Funding outstanding indebtedness or bonds theretofore issued;
10 or

11 (2) For the purchase of sites for all buildings, playgrounds,
12 physical education and athletic facilities and structures authorized by
13 law or necessary or proper to carry out the functions of a school
14 district; or

15 (3) For erecting all buildings authorized by law, including but not
16 limited to those mentioned in subsection (2) of this section
17 immediately above or necessary or proper to carry out the functions of
18 a school district, and providing the necessary furniture, apparatus, or
19 equipment therefor; or

1 (4) For improving the energy efficiency of school district
2 buildings and/or installing systems and components to utilize renewable
3 and/or inexhaustible energy resources; or

4 (5) For major and minor structural changes and structural additions
5 to buildings, structures, facilities and sites necessary or proper to
6 carrying out the functions of the school district; or

7 (6) For any or all of these and other capital purposes; or

8 (7) For payment on a real estate lease whose term is ten years or
9 longer and that contains an option to purchase the real estate leased
10 by the school district to carry out the functions of the district.

11 Neither the amount of money borrowed nor bonds issued therefor
12 shall exceed the limitation of indebtedness prescribed by chapter 39.36
13 RCW, as now or hereafter amended.

14 Except for bonds issued under RCW 28A.530.080, bonds may be issued
15 only when authorized by the vote of the qualified electors of the
16 district as provided by law.

17 The bonds shall be issued and sold in accordance with chapter 39.46
18 RCW.

19 **Sec. 2.** RCW 28A.525.168 and 1990 c 33 s 458 are each amended to
20 read as follows:

21 Whenever the voters of a school district authorize the issuance of
22 bonds and/or the levying of excess taxes or whenever a school district
23 has matching funds from other sources in an amount sufficient to meet
24 the requirements of RCW 28A.525.162 respecting eligibility for state
25 assistance in providing school facilities, the taxable valuation of the
26 district and the percentage of state assistance in providing school
27 facilities prevailing at the time of such authorization shall be the
28 valuation and the percentage used for the purpose of determining the
29 eligibility of the district for an allotment of state funds and the
30 amount or amounts of such allotments, respectively, for all projects
31 for which the voters authorize capital funds or when other school
32 district funds are available as aforesaid, unless a higher percentage
33 of state assistance prevails on the date that state funds for
34 assistance in financing a project are allotted by the state board of
35 education in which case the percentage prevailing on the date of
36 allotment by the state board of funds for each project shall govern:
37 PROVIDED, That if the state board of education determines at any time
38 that there has been undue or unwarranted delay on the part of school

1 district authorities in advancing a project to the point of readiness
2 for an allotment of state funds, the taxable valuation of the school
3 district and the percentage of state assistance prevailing on the date
4 that the allotment is made shall be used for the purposes aforesaid:
5 PROVIDED, FURTHER, That the date herein specified as applicable in
6 determining the eligibility of an individual school district for state
7 assistance and in determining the amount of such assistance shall be
8 applicable also to cases where it is necessary in administering chapter
9 28A.540 RCW to determine eligibility for and the amount of state
10 assistance for a group of school districts considered as a single
11 school administrative unit.

12 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.525
13 RCW to read as follows:

14 Any school district that enters into a financing contract,
15 including conditional sales contracts, financing leases, lease-purchase
16 contracts, refinancing contracts, or real estate lease that contains an
17 option to purchase, but not operating or true leases, such financing
18 contract shall be subject to the indebtedness limit contained in RCW
19 39.36.020(3).

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