

---

**SUBSTITUTE SENATE BILL 6714**

---

**State of Washington**

**55th Legislature**

**1998 Regular Session**

**By** Senate Committee on Government Operations (originally sponsored by Senators Anderson, Heavey, Strannigan, Rasmussen, Rossi, Finkbeiner, Stevens, Goings, Roach, T. Sheldon, Long, Hargrove, Deccio, Franklin, Johnson, Schow, Swecker, Oke, Winsley and Kline)

Read first time 02/06/98. Referred to Committee on .

1 AN ACT Relating to real estate excise tax revenues related to  
2 construction of capital improvements to public schools; adding a new  
3 section to chapter 82.45 RCW; adding a new section to chapter 28A.300  
4 RCW; and providing an effective date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.45 RCW  
7 to read as follows:

8 A school district may make a one-time election requesting the  
9 county or counties in which the school district is located to impose an  
10 excise tax in lieu of impact fees in accordance with the following  
11 terms and conditions:

12 (1) Upon request of a school district, the legislative authority of  
13 the county in which the school district is located shall impose an  
14 excise tax upon the sale of real property within such school district  
15 at the rate of 0.128 percent of the selling price. This tax is in  
16 addition to other taxes authorized by law and shall be collected from  
17 all transactions taxed under RCW 82.45.060;

18 (2) The tax imposed under subsection (1) of this section shall be  
19 deducted from the amount of tax otherwise required to be collected

1 under RCW 82.45.060 and paid over to the state treasurer under RCW  
2 82.45.180;

3 (3) All revenues collected by the county under this section shall  
4 be distributed to the school districts making a request under  
5 subsection (1) of this section to fund construction of capital  
6 improvements to public schools or to repay bonded indebtedness incurred  
7 to fund construction of capital improvements to public schools. The  
8 funds shall not be used for maintenance or operations of school  
9 districts. The county shall distribute the funds to each school  
10 district located within the county in an amount proportionate to the  
11 total amount of real estate excise tax collected under this chapter on  
12 transfers of property located within the school district. The county  
13 may use two percent of the tax imposed under this section for  
14 administrative expenses in reporting and distributing those proceeds;

15 (4) The county shall distribute the funds to school districts no  
16 less frequently than once every six months;

17 (5) Once a county imposes a tax under this section, the county and  
18 all cities and towns within the county shall not, in regard to property  
19 within school districts receiving funds under this section:

20 (a) Impose fees under RCW 82.02.050 through 82.02.100 on the  
21 construction, reconstruction, or remodeling of residential housing to  
22 pay for school facilities; and

23 (b) Condition or deny construction, reconstruction, or remodeling  
24 of residential housing under chapter 43.21C RCW on the ground that such  
25 action has an adverse environmental impact relating to school capacity  
26 which must be mitigated upon the payment of fees to fund acquisition or  
27 rental of land, construction of capital facilities on school grounds,  
28 or acquisition or rental of school facilities; and

29 (6) After a county planning under chapter 36.70A RCW imposes a tax  
30 under this section, the county and all cities and towns within such  
31 counties shall amend the capital facilities element of their  
32 comprehensive plans to reflect that the tax under subsection (1) of  
33 this section has replaced any funding sources in subsection (5) of this  
34 section previously relied upon in the comprehensive plans.

35 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.300  
36 RCW to read as follows:

37 On October 1st of each year, every county and school district  
38 receiving funds under section 1 of this act shall report to the office

1 of the superintendent of public instruction all revenues and  
2 expenditures from funds derived under section 1 of this act. Every  
3 December 1st, the office of the superintendent of public instruction  
4 shall report to the legislature the information reported under this  
5 section.

6 NEW SECTION. **Sec. 3.** 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. 4.** This act takes effect July 1, 1999.

--- END ---