H-2059.1		

SUBSTITUTE HOUSE BILL 1220

State of Washington 56th Legislature 1999 Regular Session

By House Committee on Education (originally sponsored by Representatives Ogden, Carlson, Thomas, Dunshee, Lantz and Rockefeller)
Read first time 02/26/1999.

- 1 AN ACT Relating to state assistance for school plant facilities;
- 2 amending RCW 28A.530.080; and adding a new section to chapter 28A.525
- 3 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28A.525 6 RCW to read as follows:
- 7 (1) The state board of education may allocate funds appropriated to
- 8 the state board for state assistance for school plant facilities to
- 9 districts that have not received a voter-authorized issuance of bonds
- 10 or the levying of excess taxes if:
- 11 (a) The school district has declared a school housing emergency;
- 12 (b)(i) The district's enrollments and available educational space 13 are higher than the space standards, as determined by the state board
- 14 of education, and the conditions at the district, based on a projection
- 15 of available space and enrollments over the next five years, are
- 16 expected to become worse without the state financial assistance; or
- 17 (ii) The district has existing school plant facilities that are
- 18 deteriorating to such a degree, as determined by the state board of
- 19 education, that available safe educational space is or will be

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- 1 insufficient to handle existing enrollments or projected enrollments 2 over the next five years without state financial assistance;
- 3 (c) The district's proposed project is eligible for state 4 assistance under the priority system in RCW 28A.525.190; and
- 5 (d) The district has matching money from any sources available to the district equal to or greater than the difference between the total 6 7 approved project cost and the amount of state assistance to the 8 district as computed in RCW 28A.525.166. The district may use borrowed 9 money, which may include the principal amount of any installment 10 purchase agreement or lease purchase agreement, or any other funds legally available as matching money as long as any debt incurred is 11 within the indebtedness limit contained in RCW 39.36.020(3). 12
 - (2) The board of directors of any school district may use the state allocation and other funds, not restricted to capital purposes, for the purposes described in RCW 28A.530.010, for payment of any installment purchase contract, or for payments under any financing lease, the term of which is ten years or longer, that contains an option by the school district to purchase the leased property for nominal consideration.
- 19 (3) The board of directors of any school district may use the 20 proceeds of voter-approved bonds or voter-approved levies, used as 21 matching money for state assistance, for payment of the principal on 22 any installment purchase contract, or for payment of the principal 23 under any financing lease, the term of which is ten years or longer, 24 that contains an option by the school district to purchase the leased 25 property for nominal consideration.
- 26 (4) The time of authorization for purposes of RCW 28A.525.168 shall 27 be the date that the state funds for assistance in financing a project 28 are allocated by the state board of education.
- 29 **Sec. 2.** RCW 28A.530.080 and 1991 c 114 s 1 are each amended to 30 read as follows:
- In addition to the authority granted under RCW 28A.530.010, a 31 school district may contract indebtedness for any purpose specified in 32 33 RCW 28A.530.010 or for the purpose of purchasing any real or personal 34 property, or property rights, in connection with the exercise of any powers or duties which it is now or hereafter authorized to exercise, 35 36 and issue bonds, notes, or other evidences of indebtedness therefor without a vote of the qualified electors of the district, subject to 37 the limitations on indebtedness set forth in RCW 39.36.020(3). 38

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- 1 bonds, notes, or other evidences of indebtedness shall be issued and
- 2 sold in accordance with chapter 39.46 RCW, and the proceeds thereof
- 3 shall be deposited in the capital projects fund, the transportation
- 4 vehicle fund, or the general fund, as applicable.

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