H-0073.1			

HOUSE BILL 1220

State of Washington 56th Legislature 1999 Regular Session

By Representatives Ogden, Carlson, Thomas, Dunshee, Lantz and Rockefeller

Read first time 01/19/1999. Referred to Committee on Education.

- 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) The district's enrollments and available educational space are
- 13 higher than the space standards, as determined by the state board of
- 14 education, and the conditions at the district, based on a projection of
- 15 available space and enrollments over the next five years, are expected
- 16 to become worse without the state financial assistance;
- 17 (c) The district's proposed project is eligible for state
- 18 assistance under the priority system in RCW 28A.525.190; and

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- (d) The district has matching money from any sources available to 1 2 the district equal to or greater than the difference between the total 3 approved project cost and the amount of state assistance to the 4 district as computed in RCW 28A.525.166. The district may use borrowed money, which may include the principal amount of any installment 5 purchase agreement or lease purchase agreement, or any other funds 6 7 legally available as matching money as long as any debt incurred is 8 within the indebtedness limit contained in RCW 39.36.020(3).
 - (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.
- 15 (3) The board of directors of any school district may use the 16 proceeds of voter-approved bonds or voter-approved levies, used as 17 matching money for state assistance, for payment of the principal on 18 any installment purchase contract, or for payment of the principal 19 under any financing lease, the term of which is ten years or longer, 20 that contains an option by the school district to purchase the leased 21 property for nominal consideration.
- 22 (4) The time of authorization for purposes of RCW 28A.525.168 shall 23 be the date that the state funds for assistance in financing a project 24 are allocated by the state board of education.
- 25 **Sec. 2.** RCW 28A.530.080 and 1991 c 114 s 1 are each amended to 26 read as follows:
- 27 In addition to the authority granted under RCW 28A.530.010, a school district may contract indebtedness for any purpose specified in 28 29 RCW 28A.530.010 or for the purpose of purchasing any real or personal 30 property, or property rights, in connection with the exercise of any powers or duties which it is now or hereafter authorized to exercise, 31 and issue bonds, notes, or other evidences of indebtedness therefor 32 without a vote of the qualified electors of the district, subject to 33 the limitations on indebtedness set forth in RCW 39.36.020(3). Such 34 bonds, notes, or other evidences of indebtedness shall be issued and 35 36 sold in accordance with chapter 39.46 RCW, and the proceeds thereof

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- 1 shall be deposited in the capital projects fund, the transportation
- 2 vehicle fund, or the general fund, as applicable.

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