
Education Committee

HB 3036

Brief Description: Requiring a public meeting before a school district contracts for nonvoter-approved debt.

Sponsors: Representatives Quall, Kenney and Santos.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Imposes public meeting and notice requirements before a school district contracts nonvoter-approved debt.

Hearing Date: 1/29/10

Staff: Cece Clynych (786-7195).

Background:

School districts, like other government entities, have authority to issue two general classifications of debt: nonvoter-approved and voter-approved. Districts may borrow or issue debt without a vote of the voters for the following purposes:

- purchasing real or personal property or property rights;
- purchasing sites for buildings or athletic facilities;
- improving energy efficiency of school buildings; and
- making structural changes and additions to school facilities.

A district's nonvoter-approved indebtedness is limited to an amount not exceeding three-eighths of one percent of the value of the taxable property in the district. Any debt above that limit must be approved by the voters in the district. Nonvoter-approved debt is paid from existing revenue sources because it does not give the district additional taxing authority.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

Before contracting nonvoter-approved debt without a vote of the people, a school district must hold a public meeting on the proposal. In advance of the public meeting, the district must publish notice, at least one time each week for two consecutive weeks, in a newspaper of general circulation in the district or in a newspaper of general circulation in the county or counties in which the district is located. The last notice may be published no later than seven days immediately before the meeting.

The notice must state the:

- date, time, and place of the meeting;
- purpose and amount of the indebtedness;
- type, terms, and conditions of indebtedness; and
- means identified for repayment.

The notice must also state that any person may appear at the meeting and comment on the issue of contracting the indebtedness.

Appropriation: None.

Fiscal Note: Requested January 28, 2010.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.