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**SUBSTITUTE HOUSE BILL 2218**

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**State of Washington****53rd Legislature****1994 Regular Session**

**By** House Committee on Local Government (originally sponsored by Representatives Sommers, H. Myers, Edmondson, Horn, Anderson and Jacobsen)

Read first time 01/28/94.

1       AN ACT Relating to nonvoter-approved municipal indebtedness; and  
2 amending RCW 39.36.020.

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

4       **Sec. 1.** RCW 39.36.020 and 1993 c 240 s 12 are each amended to read  
5 as follows:

6           (1) Except as otherwise expressly provided by law or in subsections  
7 (2), (3) and (4) of this section, no taxing district shall for any  
8 purpose become indebted in any manner to an amount exceeding  
9 three-eighths of one percent of the value of the taxable property in  
10 such taxing district without the assent of three-fifths of the voters  
11 therein voting at an election to be held for that purpose, nor in cases  
12 requiring such assent shall the total indebtedness incurred at any time  
13 exceed one and one-fourth percent on the value of the taxable property  
14 therein.

15         (2) ((Counties, cities, towns, and)) (a)(i) Public hospital  
16 districts are limited to an indebtedness amount not exceeding three-  
17 fourths of one percent of the value of the taxable property in such  
18 ((counties, cities, towns, or)) public hospital districts without the

1 assent of three-fifths of the voters therein voting at an election held  
2 for that purpose.

3 (ii) Counties, cities, and towns are limited to an indebtedness  
4 amount not exceeding one and one-half percent of the value of the  
5 taxable property in such cities or towns without the assent of three-  
6 fifths of the voters therein voting at an election held for that  
7 purpose.

8       (b) In cases requiring such assent counties, cities, towns, and  
9 public hospital districts are limited to a total indebtedness of two  
10 and one-half percent of the value of the taxable property therein.  
11 However, any county that has assumed the rights, powers, functions, and  
12 obligations of a metropolitan municipal corporation under chapter 36.56  
13 RCW may become indebted to a larger amount for its authorized  
14 metropolitan functions, as provided under chapter 35.58 RCW, but not  
15 exceeding an additional three-fourths of one percent of the value of  
16 the taxable property in the county without the assent of three-fifths  
17 of the voters therein voting at an election held for that purpose, and  
18 in cases requiring such assent not exceeding an additional two and one-  
19 half percent of the value of the taxable property in the county.

20       (3) School districts are limited to an indebtedness amount not  
21 exceeding three-eighths of one percent of the value of the taxable  
22 property in such district without the assent of three-fifths of the  
23 voters therein voting at an election held for that purpose. In cases  
24 requiring such assent school districts are limited to a total  
25 indebtedness of two and one-half percent of the value of the taxable  
26 property therein.

27       (4) No part of the indebtedness allowed in this chapter shall be  
28 incurred for any purpose other than strictly county, city, town, school  
29 district, township, port district, metropolitan park district, or other  
30 municipal purposes: PROVIDED, That a city or town, with such assent,  
31 may become indebted to a larger amount, but not exceeding two and one-  
32 half percent additional, determined as herein provided, for supplying  
33 such city or town with water, artificial light, and sewers, when the  
34 works for supplying such water, light, and sewers shall be owned and  
35 controlled by the city or town; and a city or town, with such assent,  
36 may become indebted to a larger amount, but not exceeding two and one-  
37 half percent additional for acquiring or developing open space and park  
38 facilities: PROVIDED FURTHER, That any school district may become

1 indebted to a larger amount but not exceeding two and one-half percent  
2 additional for capital outlays.

3 (5) Such indebtedness may be authorized in any total amount in one  
4 or more propositions and the amount of such authorization may exceed  
5 the amount of indebtedness which could then lawfully be incurred. Such  
6 indebtedness may be incurred in one or more series of bonds from time  
7 to time out of such authorization but at no time shall the total  
8 general indebtedness of any taxing district exceed the above  
9 limitation.

10 The term "value of the taxable property" as used in this section  
11 shall have the meaning set forth in RCW 39.36.015.

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