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SENATE BILL 5245

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State of Washington                      55th Legislature                      1997 Regular Session

By Senators Oke, Winsley, Sellar, Rasmussen, Anderson and Patterson

Read first time 01/20/97. Referred to Committee on Education.

1            AN ACT Relating to school districts; amending RCW 28A.535.020,  
2 28A.535.050, 84.52.053, 84.52.056, and 39.36.020; repealing RCW  
3 28A.530.020; and providing a contingent effective date.

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

5            **Sec. 1.** RCW 28A.535.020 and 1996 c 48 s 2 are each amended to read  
6 as follows:

7            Whenever the board of directors of any school district shall deem  
8 it advisable to validate and ratify the indebtedness mentioned in RCW  
9 28A.535.010, they shall provide therefor by resolution, which shall be  
10 entered on the records of such school district, which resolution shall  
11 provide for the holding of an election for the purpose of submitting  
12 the question of validating and ratifying the indebtedness so incurred  
13 to the voters of such school district for approval or disapproval, and  
14 if at ((such)) a general election ((~~three-fifths~~)) a majority of the  
15 voters in such school district voting at such election shall vote in  
16 favor of the validation and ratification of such indebtedness, then  
17 such indebtedness so validated and ratified and every part thereof  
18 existing at the time of the adoption of said resolution shall thereby

1 become and is hereby declared to be validated and ratified and a  
2 binding obligation upon such school district.

3 **Sec. 2.** RCW 28A.535.050 and 1984 c 186 s 14 are each amended to  
4 read as follows:

5 If the indebtedness of such school district is validated and  
6 ratified, as provided in this chapter, (~~by three-fifths of the voters~~  
7 ~~voting at such election,~~) the board of directors of such school  
8 district, without any further vote, may borrow money and issue and sell  
9 negotiable bonds therefor in accordance with chapter 39.46 RCW.

10 **Sec. 3.** RCW 84.52.053 and 1994 c 116 s 1 are each amended to read  
11 as follows:

12 The limitations imposed by RCW 84.52.050 through 84.52.056, and  
13 84.52.043 shall not prevent the levy of taxes by school districts, when  
14 authorized so to do by the voters of such school district in the manner  
15 and for the purposes and number of years allowable under Article VII,  
16 section 2(a) of the Constitution of this state. Elections for such  
17 taxes shall be held in the year in which the levy is made or, in the  
18 case of propositions authorizing two-year levies for maintenance and  
19 operation support of a school district, authorizing two-year levies for  
20 transportation vehicle funds established in RCW 28A.160.130, or  
21 authorizing two-year through six-year levies to support the  
22 construction, modernization, or remodeling of school facilities, in the  
23 year in which the first annual levy is made: PROVIDED, That once  
24 additional tax levies have been authorized for maintenance and  
25 operation support of a school district for a two-year period, no  
26 further additional tax levies for maintenance and operation support of  
27 the district for that period may be authorized.

28 (~~A special election may be called and the time therefor fixed by~~  
29 ~~the board of school directors, by giving notice thereof by publication~~  
30 ~~in the manner provided by law for giving notices of general elections,~~  
31 ~~at which special election the proposition authorizing such excess levy~~  
32 ~~shall be submitted in such form as to enable the voters favoring the~~  
33 ~~proposition to vote "yes" and those opposed thereto to vote "no".)~~)

34 **Sec. 4.** RCW 84.52.056 and 1973 1st ex.s. c 195 s 104 are each  
35 amended to read as follows:

1 Any municipal corporation otherwise authorized by law to issue  
2 general obligation bonds for capital purposes may, at an election duly  
3 held after giving notice thereof as required by law, authorize the  
4 issuance of general obligation bonds for capital purposes only, which  
5 shall not include the replacement of equipment, and provide for the  
6 payment of the principal and interest of such bonds by annual levies in  
7 excess of the tax limitations contained in RCW 84.52.050 to 84.52.056,  
8 inclusive and RCW 84.52.043. Such an election shall not be held  
9 oftener than twice a calendar year, and the proposition to issue any  
10 such bonds and to exceed said tax limitation must receive the  
11 affirmative vote of a three-fifths majority of those voting on the  
12 proposition and the total number of (~~persons~~) voters voting at such  
13 election must constitute not less than forty percent of the voters in  
14 said municipal corporation who voted at the last preceding general  
15 state election, except that a proposition by a school district to issue  
16 such bonds and to pay the principal and interest on the bonds by annual  
17 tax levies shall be authorized by receiving the affirmative vote of a  
18 majority of the voters voting on the proposition at a general election.

19 Any taxing district shall have the right by vote of its governing  
20 body to refund any general obligation bonds of said district issued for  
21 capital purposes only, and to provide for the interest thereon and  
22 amortization thereof by annual levies in excess of the tax limitations  
23 provided for in RCW 84.52.050 to 84.52.056, inclusive and RCW  
24 84.52.043.

25 **Sec. 5.** RCW 39.36.020 and 1994 c 277 s 1 are each amended to read  
26 as follows:

27 (1) Except as otherwise expressly provided by law or in subsections  
28 (2), (3) and (4) of this section, no taxing district shall for any  
29 purpose become indebted in any manner to an amount exceeding  
30 three-eighths of one percent of the value of the taxable property in  
31 such taxing district without the assent of three-fifths of the voters  
32 therein voting at an election to be held for that purpose, nor in cases  
33 requiring such assent shall the total indebtedness incurred at any time  
34 exceed one and one-fourth percent on the value of the taxable property  
35 therein.

36 (2)(a)(i) Public hospital districts are limited to an indebtedness  
37 amount not exceeding three-fourths of one percent of the value of the  
38 taxable property in such public hospital districts without the assent

1 of three-fifths of the voters therein voting at an election held for  
2 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 counties, cities, or towns without the assent  
6 of three-fifths of the voters therein voting at an election held for  
7 that 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))~~ a  
23 majority of the voters therein voting at (~~(an)~~) a general election held  
24 for that purpose. In cases requiring such assent school districts are  
25 limited to a total indebtedness of two and one-half percent of the  
26 value of the taxable 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.

12 NEW SECTION. **Sec. 6.** RCW 28A.530.020 and 1996 c 48 s 1, 1990 c 33  
13 s 478, 1984 c 186 s 11, 1970 ex.s. c 42 s 9, & 1969 ex.s. c 223 s  
14 28A.51.020 are each repealed.

15 NEW SECTION. **Sec. 7.** If any provision of this act or its  
16 application to any person or circumstance is held invalid, the  
17 remainder of the act or the application of the provision to other  
18 persons or circumstances is not affected.

19 NEW SECTION. **Sec. 8.** This act takes effect if the proposed  
20 amendment to Article VII, section 2 and Article VIII, section 6 of the  
21 state Constitution providing for a simple majority of voters voting at  
22 a general election to authorize school district levies and bonds is  
23 validly submitted to and is approved and ratified by the voters at the  
24 next general election and certified by the secretary of state. If the  
25 proposed amendment is not approved, ratified, and certified, this act  
26 is void in its entirety.

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