

1 **HB 2424** - H AMD

2 By Representative Alexander

3 Strike everything after the enacting clause and insert the
4 following:

5 "Sec. 1. RCW 28A.535.020 and 1996 c 48 s 2 are each amended to
6 read 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 election three-fifths of the voters in such school district
15 voting at such election shall vote in favor of the validation and
16 ratification of such indebtedness, then such indebtedness so validated
17 and ratified and every part thereof existing at the time of the
18 adoption of said resolution shall thereby become and is hereby declared
19 to be validated and ratified and a binding obligation upon such school
20 district. However, if the proposition for validating and ratifying
21 the indebtedness under this section is submitted at a primary or
22 general election, as scheduled under chapter 29.13 RCW, the
23 indebtedness shall be validated and ratified if a majority of the
24 voters at the primary or general election vote in favor of the
25 proposition.

26 **Sec. 2.** RCW 39.36.020 and 2000 c 156 s 1 are each amended to read
27 as follows:

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

1 (2)(a)(i) Public hospital districts are limited to an indebtedness
2 amount not exceeding three-fourths of one percent of the value of the
3 taxable property in such public hospital districts without the assent
4 of three-fifths of the voters therein voting at an election held for
5 that purpose.

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

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

23 (3) School districts are limited to an indebtedness amount not
24 exceeding three-eighths of one percent of the value of the taxable
25 property in such district without the assent of three-fifths of the
26 voters therein voting at an election held for that purpose. In cases
27 requiring such assent school districts are limited to a total
28 indebtedness of two and one-half percent of the value of the taxable
29 property therein. However, if the proposition for validating and
30 ratifying the indebtedness under this subsection is submitted at a
31 primary or general election, as scheduled under chapter 29.13 RCW, the
32 indebtedness shall be validated and ratified if a majority of the
33 voters at the primary or general election vote in favor of the
34 proposition.

35 (4) No part of the indebtedness allowed in this chapter shall be
36 incurred for any purpose other than strictly county, city, town, school
37 district, township, port district, metropolitan park district, or other
38 municipal purposes: PROVIDED, That a city or town, with such assent,
39 may become indebted to a larger amount, but not exceeding two and one-

1 half percent additional, determined as herein provided, for supplying
2 such city or town with water, artificial light, and sewers, when the
3 works for supplying such water, light, and sewers shall be owned and
4 controlled by the city or town; and a city or town, with such assent,
5 may become indebted to a larger amount, but not exceeding two and one-
6 half percent additional for acquiring or developing open space, park
7 facilities, and capital facilities associated with economic
8 development: PROVIDED FURTHER, That any school district may become
9 indebted to a larger amount but not exceeding two and one-half percent
10 additional for capital outlays.

11 (5) Such indebtedness may be authorized in any total amount in one
12 or more propositions and the amount of such authorization may exceed
13 the amount of indebtedness which could then lawfully be incurred. Such
14 indebtedness may be incurred in one or more series of bonds from time
15 to time out of such authorization but at no time shall the total
16 general indebtedness of any taxing district exceed the above
17 limitation.

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

20 NEW SECTION. **Sec. 3.** If any provision of this act or its
21 application to any person or circumstance is held invalid, the
22 remainder of the act or the application of the provision to other
23 persons or circumstances is not affected.

24 NEW SECTION. **Sec. 4.** This act takes effect if the proposed
25 amendment to Article VII, section 2 and Article VIII, section 6 of the
26 state Constitution providing for a simple majority of voters voting to
27 authorize school district levies is validly submitted to and is
28 approved and ratified by the voters at the next general election and
29 certified by the secretary of state. If the proposed amendment is not
30 approved, ratified, and certified, this act is void in its entirety."

31 Correct the title.

EFFECT: A simple majority is needed for approval of school debt
propositions, except for bonds, if the measure is voted on at a

primary or general election. For bonds and for special elections, current law applies (60% approval and a validation requirement for levies and bonds).